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House File 2318

H-8025

- 1 Amend House File 2318 as follows:
- 2 1. Page 1, after line 16 by inserting:
- 3 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. This Act,
- 4 being deemed of immediate importance, takes effect upon
- 5 enactment.>
- 6 2. Title page, line 2, after <certificates> by
- 7 inserting <and including effective date provisions>
- 8 3. By renumbering as necessary.

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LENSING of Johnson

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JORGENSEN of Woodbury



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**House File 2326 - Introduced**

HOUSE FILE 2326  
BY COMMITTEE ON JUDICIARY  
  
(SUCCESSOR TO HSB 625)

**A BILL FOR**

1 An Act relating to statutory corrections which may adjust  
2 language to reflect current practices, insert earlier  
3 omissions, delete redundancies and inaccuracies, delete  
4 temporary language, resolve inconsistencies and conflicts,  
5 update ongoing provisions, or remove ambiguities, and  
6 including effective date and retroactive applicability  
7 provisions.  
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

STATUTORY CORRECTIONS

Section 1. Section 8.55, subsection 2, Code Supplement  
2011, is amended to read as follows:

2. ~~a.~~ The maximum balance of the fund is the amount equal  
to two and one-half percent of the adjusted revenue estimate  
for the fiscal year. If the amount of moneys in the Iowa  
economic emergency fund is equal to the maximum balance, moneys  
in excess of this amount shall be distributed as follows:

~~(1)~~ a. The first sixty million dollars of the difference  
between the actual net revenue for the general fund of the  
state for the fiscal year and the adjusted revenue estimate for  
the fiscal year shall be transferred to the taxpayers trust  
fund.

~~(2)~~ b. The remainder of the excess, if any, shall be  
transferred to the general fund of the state.

~~b. Notwithstanding paragraph "a", any moneys in excess of  
the maximum balance in the economic emergency fund after the  
distribution of the surplus in the general fund of the state at  
the conclusion of each fiscal year shall not be distributed as  
provided in paragraph "a" but shall be transferred to the senior  
living trust fund. The total amount appropriated, reverted,  
or transferred, in the aggregate, under this paragraph,  
section 8.57, subsection 2, and any other law providing for  
an appropriation or reversion or transfer of an appropriation  
to the credit of the senior living trust fund, for all fiscal  
years beginning on or after July 1, 2004, shall not exceed the  
amount specified in section 8.57, subsection 2, paragraph "c".~~

Sec. 2. Section 8.57, Code Supplement 2011, is amended to  
read as follows:

**8.57 Annual appropriations — reduction of GAAP deficit —  
rebuild Iowa infrastructure fund.**

1. *a.* The "cash reserve goal percentage" for fiscal years  
beginning on or after July 1, 2004, is seven and one-half  
percent of the adjusted revenue estimate. For each fiscal

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1 year in which the appropriation of the surplus existing in the  
2 general fund of the state at the conclusion of the prior fiscal  
3 year pursuant to paragraph "b" was not sufficient for the cash  
4 reserve fund to reach the cash reserve goal percentage for the  
5 current fiscal year, there is appropriated from the general  
6 fund of the state an amount to be determined as follows:

7 (1) If the balance of the cash reserve fund in the current  
8 fiscal year is not more than six and one-half percent of the  
9 adjusted revenue estimate for the current fiscal year, the  
10 amount of the appropriation under this lettered paragraph is  
11 one percent of the adjusted revenue estimate for the current  
12 fiscal year.

13 (2) If the balance of the cash reserve fund in the current  
14 fiscal year is more than six and one-half percent but less than  
15 seven and one-half percent of the adjusted revenue estimate for  
16 that fiscal year, the amount of the appropriation under this  
17 lettered paragraph is the amount necessary for the cash reserve  
18 fund to reach seven and one-half percent of the adjusted  
19 revenue estimate for the current fiscal year.

20 (3) The moneys appropriated under this lettered paragraph  
21 shall be credited in equal and proportionate amounts in each  
22 quarter of the current fiscal year.

23 b. The surplus existing in the general fund of the state  
24 at the conclusion of the fiscal year is appropriated for  
25 distribution in the succeeding fiscal year as provided in  
26 subsections 3 2 and 4 3. Moneys credited to the cash reserve  
27 fund from the appropriation made in this paragraph shall not  
28 exceed the amount necessary for the cash reserve fund to reach  
29 the cash reserve goal percentage for the succeeding fiscal  
30 year. As used in this paragraph, "surplus" means the excess  
31 of revenues and other financing sources over expenditures and  
32 other financing uses for the general fund of the state in a  
33 fiscal year.

34 c. The amount appropriated in this section is not subject  
35 to the provisions of section 8.31, relating to requisitions

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1 and allotment, or to section 8.32, relating to conditional  
2 availability of appropriations.

3 ~~2. a. There is appropriated from the surplus existing~~  
4 ~~in the general fund of the state at the conclusion of the~~  
5 ~~fiscal year beginning July 1, 2005, and ending June 30, 2006,~~  
6 ~~and at the conclusion of each succeeding fiscal year for~~  
7 ~~distribution to the senior living trust fund, an amount equal~~  
8 ~~to one percent of the adjusted revenue estimate for the current~~  
9 ~~fiscal year. However, if the amount of the surplus existing~~  
10 ~~in the general fund of the state at the conclusion of a fiscal~~  
11 ~~year is less than two percent of the adjusted revenue estimate~~  
12 ~~for that fiscal year, the amount of the appropriation made in~~  
13 ~~this paragraph shall be equal to fifty percent of the surplus~~  
14 ~~amount. The appropriation made in this paragraph shall be~~  
15 ~~distributed to the senior living trust fund in the succeeding~~  
16 ~~fiscal year. For the purposes of this subsection, "surplus"~~  
17 ~~means the same as defined in subsection 1, paragraph "b".~~

18 ~~b. The appropriation made in paragraph "a" shall be made~~  
19 ~~before the appropriations are made pursuant to subsections 1,~~  
20 ~~3, and 4, of the surplus existing in the general fund of the~~  
21 ~~state at the conclusion of the fiscal year beginning July 1,~~  
22 ~~2005, and ending June 30, 2006, and each succeeding fiscal~~  
23 ~~year.~~

24 ~~c. The appropriation made in paragraph "a" shall continue~~  
25 ~~until the aggregate amount of the appropriations made,~~  
26 ~~reverted, or transferred to the senior living trust fund for~~  
27 ~~all fiscal years beginning on or after July 1, 2004, pursuant~~  
28 ~~to paragraph "a" of this subsection, section 8.55, subsection 2,~~  
29 ~~paragraph "b", and any other law providing for an appropriation~~  
30 ~~or reversion or transfer of an appropriation to the senior~~  
31 ~~living trust fund is equal to three hundred million dollars.~~

32 ~~d. This subsection and section 8.55, subsection 2, paragraph~~  
33 ~~"b", are repealed when the aggregate amount specified in~~  
34 ~~paragraph "c" has been distributed, appropriated, reverted, or~~  
35 ~~transferred to the senior living trust fund. The director of~~

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1 ~~the department of management shall notify the Iowa Code editor~~  
2 ~~when the aggregate amount has been distributed, appropriated,~~  
3 ~~reverted, or transferred.~~  
4     3. 2. Moneys appropriated under subsection 1 shall be first  
5 credited to the cash reserve fund. To the extent that moneys  
6 appropriated under subsection 1 would make the moneys in the  
7 cash reserve fund exceed the cash reserve goal percentage of  
8 the adjusted revenue estimate for the fiscal year, the moneys  
9 are appropriated to the department of management to be spent  
10 for the purpose of eliminating Iowa's GAAP deficit, including  
11 the payment of items budgeted in a subsequent fiscal year  
12 which under generally accepted accounting principles should be  
13 budgeted in the current fiscal year. These moneys shall be  
14 deposited into a GAAP deficit reduction account established  
15 within the department of management. The department of  
16 management shall annually file with both houses of the general  
17 assembly at the time of the submission of the governor's  
18 budget, a schedule of the items for which moneys appropriated  
19 under this subsection for the purpose of eliminating Iowa's  
20 GAAP deficit, including the payment of items budgeted in  
21 a subsequent fiscal year which under generally accepted  
22 accounting principles should be budgeted in the current  
23 fiscal year, shall be spent. The schedule shall indicate the  
24 fiscal year in which the spending for an item is to take place  
25 and shall incorporate the items detailed in 1994 Iowa Acts,  
26 chapter 1181, section 17. The schedule shall list each item  
27 of expenditure and the estimated dollar amount of moneys to  
28 be spent on that item for the fiscal year. The department of  
29 management may submit during a regular legislative session an  
30 amended schedule for legislative consideration. If moneys  
31 appropriated under this subsection are not enough to pay for  
32 all listed expenditures, the department of management shall  
33 distribute the payments among the listed expenditure items.  
34 Moneys appropriated to the department of management under  
35 this subsection shall not be spent on items other than those





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1 included in the filed schedule. On September 1 following the  
2 close of a fiscal year, moneys in the GAAP deficit reduction  
3 account which remain unexpended for items on the filed schedule  
4 for the previous fiscal year shall be credited to the Iowa  
5 economic emergency fund.

6 ~~4.~~ 3. To the extent that moneys appropriated under  
7 subsection 1 exceed the amounts necessary for the cash reserve  
8 fund to reach its maximum balance and the amounts necessary to  
9 eliminate Iowa's GAAP deficit, including elimination of the  
10 making of any appropriation in an incorrect fiscal year, the  
11 moneys shall be appropriated to the Iowa economic emergency  
12 fund.

13 ~~5.~~ 4. As used in this section, "GAAP" means generally  
14 accepted accounting principles as established by the  
15 governmental accounting standards board.

16 ~~6.~~ 5. *a.* A rebuild Iowa infrastructure fund is created  
17 under the authority of the department of management. The fund  
18 shall consist of appropriations made to the fund and transfers  
19 of interest, earnings, and moneys from other funds as provided  
20 by law. The rebuild Iowa infrastructure fund shall be separate  
21 from the general fund of the state and the balance in the  
22 rebuild Iowa infrastructure fund shall not be considered part  
23 of the balance of the general fund of the state. However, the  
24 rebuild Iowa infrastructure fund shall be considered a special  
25 account for the purposes of section 8.53, relating to generally  
26 accepted accounting principles.

27 *b.* Moneys in the rebuild Iowa infrastructure fund are  
28 not subject to section 8.33. Notwithstanding section  
29 12C.7, subsection 2, interest or earnings on moneys in the  
30 rebuild Iowa infrastructure fund shall be credited to the  
31 infrastructure fund. Moneys in the rebuild Iowa infrastructure  
32 fund may be used for cash flow purposes during a fiscal year  
33 provided that any moneys so allocated are returned to the  
34 infrastructure fund by the end of that fiscal year.

35 *c.* Moneys in the rebuild Iowa infrastructure fund in a



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1 fiscal year shall be used as directed by the general assembly  
2 for public vertical infrastructure projects. For the purposes  
3 of this subsection, "*vertical infrastructure*" includes only land  
4 acquisition and construction; major renovation and major repair  
5 of buildings; all appurtenant structures; utilities; site  
6 development; recreational trails; and debt service payments  
7 on academic revenue bonds issued in accordance with chapter  
8 262A for capital projects at board of regents institutions.  
9 "*Vertical infrastructure*" does not include routine, recurring  
10 maintenance or operational expenses or leasing of a building,  
11 appurtenant structure, or utility without a lease-purchase  
12 agreement.

13 d. The general assembly may provide that all or part of the  
14 moneys deposited in the GAAP deficit reduction account created  
15 in this section shall be transferred to the infrastructure fund  
16 in lieu of appropriation of the moneys to the Iowa economic  
17 emergency fund.

18 e. (1) (a) (i) Notwithstanding provisions to the contrary  
19 in sections 99D.17 and 99F.11, for the fiscal year beginning  
20 July 1, 2000, and for each fiscal year thereafter, not more  
21 than a total of sixty-six million dollars shall be deposited  
22 in the general fund of the state in any fiscal year pursuant to  
23 sections 99D.17 and 99F.11.

24 (ii) However, in lieu of the deposit in subparagraph  
25 subdivision (i), for the fiscal year beginning July 1, 2010,  
26 and for each fiscal year thereafter until the principal and  
27 interest on all bonds issued by the treasurer of state pursuant  
28 to section 12.87 are paid, as determined by the treasurer of  
29 state, the first fifty-five million dollars of the moneys  
30 directed to be deposited in the general fund of the state  
31 under subparagraph subdivision (i) shall be deposited in the  
32 revenue bonds debt service fund created in section 12.89, and  
33 the next three million seven hundred fifty thousand dollars of  
34 the moneys directed to be deposited in the general fund of the  
35 state under subparagraph subdivision (i) shall be deposited

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1 in the revenue bonds federal subsidy holdback fund created in  
2 section 12.89A, and the next one million two hundred fifty  
3 thousand dollars of the moneys directed to be deposited in the  
4 general fund of the state under subparagraph subdivision (i)  
5 shall be deposited in the general fund of the state.

6 (b) The next fifteen million dollars of the moneys directed  
7 to be deposited in the general fund of the state in a fiscal  
8 year pursuant to sections 99D.17 and 99F.11 shall be deposited  
9 in the vision Iowa fund created in section 12.72 for the fiscal  
10 year beginning July 1, 2000, and for each fiscal year through  
11 the fiscal year beginning July 1, 2019.

12 (c) The next five million dollars of the moneys directed to  
13 be deposited in the general fund of the state in a fiscal year  
14 pursuant to sections 99D.17 and 99F.11 shall be deposited in  
15 the school infrastructure fund created in section 12.82 for the  
16 fiscal year beginning July 1, 2000, and for each fiscal year  
17 thereafter until the principal and interest on all bonds issued  
18 by the treasurer of state pursuant to section 12.81 are paid,  
19 as determined by the treasurer of state.

20 (d) (i) The total moneys in excess of the moneys deposited  
21 in the revenue bonds debt service fund, the revenue bonds  
22 federal subsidy holdback fund, the vision Iowa fund, the  
23 school infrastructure fund, and the general fund of the  
24 state in a fiscal year shall be deposited in the rebuild Iowa  
25 infrastructure fund and shall be used as provided in this  
26 section, notwithstanding section 8.60.

27 (ii) However, in lieu of the deposit in subparagraph  
28 subdivision (i), for the fiscal year beginning July 1, 2010,  
29 and for each fiscal year thereafter until the principal and  
30 interest on all bonds issued by the treasurer of state pursuant  
31 to section 12.87 are paid, as determined by the treasurer of  
32 state, sixty-four million seven hundred fifty thousand dollars  
33 of the excess moneys directed to be deposited in the rebuild  
34 Iowa infrastructure fund under subparagraph subdivision (i)  
35 shall be deposited in the general fund of the state.

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1 (2) If the total amount of moneys directed to be deposited  
2 in the general fund of the state under sections 99D.17 and  
3 99F.11 in a fiscal year is less than the total amount of moneys  
4 directed to be deposited in the revenue bonds debt service  
5 fund and the revenue bonds federal subsidy holdback fund in  
6 the fiscal year pursuant to this paragraph "e", the difference  
7 shall be paid from moneys deposited in the beer and liquor  
8 control fund created in section 123.53 in the manner provided  
9 in section 123.53, subsection 3.

10 (3) After the deposit of moneys directed to be deposited in  
11 the general fund of the state, the revenue bonds debt service  
12 fund, and the revenue bonds federal subsidy holdback fund, as  
13 provided in subparagraph (1), subparagraph division (a), if the  
14 total amount of moneys directed to be deposited in the general  
15 fund of the state under sections 99D.17 and 99F.11 in a fiscal  
16 year is less than the total amount of moneys directed to be  
17 deposited in the vision Iowa fund and the school infrastructure  
18 fund in the fiscal year pursuant to this paragraph "e", the  
19 difference shall be paid from lottery revenues in the manner  
20 provided in section 99G.39, subsection 3.

21 f. There is appropriated from the rebuild Iowa  
22 infrastructure fund to the secure an advanced vision for  
23 education fund created in section 423F.2, for each fiscal year  
24 of the fiscal period beginning July 1, 2008, and ending June  
25 30, 2010, the amount of the moneys in excess of the first  
26 forty-seven million dollars credited to the rebuild Iowa  
27 infrastructure fund during the fiscal year, not to exceed ten  
28 million dollars.

29 g. Notwithstanding any other provision to the contrary,  
30 and prior to the appropriation of moneys from the rebuild Iowa  
31 infrastructure fund pursuant to paragraph "c", and section  
32 8.57A, subsection 4, moneys shall first be appropriated  
33 from the rebuild Iowa infrastructure fund to the vertical  
34 infrastructure fund as provided in section 8.57B, subsection 4.

35 h. Annually, on or before January 15 of each year, a state

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1 agency that received an appropriation from the rebuild Iowa  
2 infrastructure fund shall report to the legislative services  
3 agency and the department of management the status of all  
4 projects completed or in progress. The report shall include  
5 a description of the project, the progress of work completed,  
6 the total estimated cost of the project, a list of all revenue  
7 sources being used to fund the project, the amount of funds  
8 expended, the amount of funds obligated, and the date the  
9 project was completed or an estimated completion date of the  
10 project, where applicable.

11 *i.* Annually, on or before December 31 of each year, a  
12 recipient of moneys from the rebuild Iowa infrastructure fund  
13 for any purpose shall report to the state agency to which the  
14 moneys are appropriated the status of all projects completed  
15 or in progress. The report shall include a description of the  
16 project, the progress of work completed, the total estimated  
17 cost of the project, a list of all revenue sources being used  
18 to fund the project, the amount of funds expended, the amount  
19 of funds obligated, and the date the project was completed or  
20 an estimated completion date of the project, where applicable.

21 Sec. 3. Section 8A.317, subsection 1, Code Supplement 2011,  
22 is amended to read as follows:

23 1. As used in this section, unless the context otherwise  
24 requires:

25 *a.* "Biobased material" means the same as defined in section  
26 469.31 a material in which carbon is derived in whole or in  
27 part from a renewable resource.

28 *b.* "Biobased product" means a product generated by blending  
29 or assembling of one or more biobased materials, either  
30 exclusively or in combination with nonbiobased materials,  
31 in which the biobased material is present as a quantifiable  
32 portion of the total mass of the product.

33 ~~*c.*~~ *c.* "Designated biobased product" means a biobased  
34 product as defined in section 469.31, and includes a product  
35 determined by the United States department of agriculture to



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1 be a commercial or industrial product, other than food or  
2 feed, that is composed, in whole or in significant part, of  
3 biological products, including renewable domestic agricultural  
4 materials including plant, animal, and marine materials, or  
5 forestry materials as provided in 7 U.S.C. § 8102.

6 Sec. 4. Section 11.2, subsection 3, paragraph d, Code  
7 Supplement 2011, is amended to read as follows:

8 d. The review of the most recent annual report to  
9 shareholders of an open-end management investment company  
10 or an unincorporated investment company or investment trust  
11 registered with the federal securities and exchange commission  
12 under the federal Investment Company Act of 1940, 15 U.S.C.  
13 § 80a, pursuant to 17 C.F.R. § 270.30d-1 or the review, by  
14 the person performing the audit, of the most recent annual  
15 report to shareholders, call reports, or the findings pursuant  
16 to a regular examination under state or federal law, to the  
17 extent the findings are not confidential, of a bank, savings  
18 and loan association, or credit union shall satisfy the review  
19 requirements of this ~~paragraph~~ subsection.

20 Sec. 5. Section 11.5A, Code Supplement 2011, is amended to  
21 read as follows:

22 **11.5A Audit or examination — costs.**

23 When requested by the auditor of state, the department  
24 of management shall transfer from any unappropriated funds  
25 in the state treasury an amount not exceeding the expenses  
26 and prorated salary costs already paid to perform audits or  
27 examinations of state departments and agencies, the offices  
28 of the judicial branch, and federal financial assistance as  
29 defined in the federal Single Audit Act, 31 U.S.C. § 7501, et  
30 seq., received by all other departments, as listed in section  
31 11.5B, for which payments by agencies have not been made. Upon  
32 payment by the departments, the auditor of state shall credit  
33 the payments to the state treasury.

34 Sec. 6. Section 15.107, subsection 1, Code Supplement 2011,  
35 is amended to read as follows:

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1     1. The authority shall establish the Iowa innovation  
2 corporation as a nonprofit corporation organized under chapter  
3 504 and qualifying under section 501(c)(3) of the Internal  
4 Revenue Code as an organization exempt from taxation. Unless  
5 otherwise provided in this subchapter, the corporation is  
6 subject to the provisions of chapter 504. The corporation  
7 shall be established for the purpose of receiving and  
8 disbursing funds from public or private sources ~~to be used~~ to  
9 further the overall development and economic well-being of the  
10 state.

11     Sec. 7. Section 15.202, Code Supplement 2011, is amended to  
12 read as follows:

13     **15.202 Grants and gifts.**

14     The authority may, ~~with the approval of the director,~~ accept  
15 grants and allotments of funds from the federal government  
16 and enter into cooperative agreements with the secretary of  
17 agriculture of the United States for projects to effectuate any  
18 of the purposes of the agricultural marketing program; and may  
19 accept grants, gifts, or allotments of funds from any person  
20 for the purpose of carrying out the agricultural marketing  
21 program. The authority shall make an itemized accounting of  
22 such funds to the director at the end of each fiscal year.

23     Sec. 8. Section 15.272, Code Supplement 2011, is amended to  
24 read as follows:

25     **15.272 Statewide welcome center program — objectives and**  
26 **agency responsibilities — pilot projects.**

27     The state agencies, as indicated in this section, shall  
28 undertake certain specific functions to implement the goals of  
29 a statewide program, including the pilot projects, for welcome  
30 centers.

31     1. *a.* The department of economic development and the  
32 state department of transportation shall jointly establish a  
33 statewide long-range plan for developing and operating welcome  
34 centers throughout the state. The plan shall be submitted  
35 to the general assembly by January 15, 1988. The plan shall

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1 address, but not be limited to, the following:

2 (1) Integrating state, regional, and local tourism and  
3 recreation marketing and promotion plans.

4 (2) Recommending a wide range of centers, including  
5 state-developed and state-operated to privately managed  
6 facilities.

7 (3) Establishing design, service, and maintenance quality  
8 standards which all welcome centers will maintain. Included  
9 in the standards shall be a provision requiring that space or  
10 facilities be available for purposes of displaying and offering  
11 for sale Iowa-made products, crafts, and arts. The space  
12 or facilities may be operated by the department of economic  
13 development or leased to and operated by other persons.

14 (4) Making projections of increased tourist spending,  
15 indirect economic benefits, and direct revenue production which  
16 are estimated to occur as a result of implementing a statewide  
17 welcome center program.

18 (5) Projecting estimated acquisition, construction,  
19 exhibit, staffing, and maintenance costs.

20 (6) Integrating electronic data telecommunications systems.

21 (7) Identifying sites for maintaining existing centers as  
22 well as locations for new centers.

23 b. The departments may enter into contracts for the  
24 preparation of the long-range plan. The departments shall  
25 involve the department of natural resources and the department  
26 of cultural affairs in the preparation of the plan. The  
27 recommendations and comments of organizations representing  
28 hospitality and tourism services, including but not limited to,  
29 the regional tourism councils, convention and visitors bureaus,  
30 and the Iowa travel council, and others with interests in this  
31 program will be considered for incorporation in the plan.  
32 Prior to submission of the plan to the general assembly, the  
33 plan shall be submitted to the regional tourism councils, the  
34 convention and visitors bureaus, and the Iowa travel council  
35 for their comments and criticisms which shall be submitted by

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1 the department of economic development along with the plan to  
2 the general assembly.

3 2. The responsibilities of the authority include the  
4 following:

5 a. Seeing to the acquisition of property and the  
6 construction of all new welcome centers including the pilot  
7 projects selected by the department of economic development  
8 pursuant to paragraph "e". In carrying out this responsibility  
9 the authority may, but is not limited to, the following:

10 (1) Arrange for the state department of transportation to  
11 acquire title to land and buildings for use as and undertake  
12 construction of state-owned welcome centers. In acquiring  
13 property and constructing the welcome centers, including any  
14 pilot projects, the state department of transportation may  
15 use any funds available to it, including but not limited to,  
16 the RISE fund, matching funds from local units of government  
17 or organizations, the primary road fund, federal grants, and  
18 moneys specifically appropriated for these purposes.

19 (2) Contract with other state agencies, local units of  
20 government, or private groups, organizations, or entities for  
21 the use of land, buildings, or facilities as state welcome  
22 centers or in connection with state welcome centers, whether or  
23 not the property is actually owned by the state. If the local  
24 match required for pilot projects or which may be required for  
25 other welcome centers is met by providing land, buildings, or  
26 facilities, the entity providing the local match shall enter  
27 into an agreement with the authority to either transfer title  
28 of the property to the state or to dedicate the use of the  
29 property under the conditions and period of time set by the  
30 authority.

31 b. Providing for the operations, management, and  
32 maintenance of the state-owned and state-operated welcome  
33 centers, including the collection and distribution of  
34 tourism literature, telecommunication services, and other  
35 travel-related services, and the display and offering for sale

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1 of Iowa-made products, crafts, and arts.

2     *c.* Providing, at the discretion of the authority, financial  
3 assistance in the form of loans and grants to privately  
4 operated information centers to the extent the centers are  
5 consistent with the long-range plan.

6     *d.* Developing a common theme or graphic logo which will be  
7 identified with all welcome centers which meet the standards of  
8 operations established for those centers.

9     *e.* Selecting the sites for the pilot projects. In selecting  
10 the pilot project sites, the following apply:

11     (1) Up to three sites may be located in proximity to  
12 the interstates and up to three sites may be located in  
13 proximity to the other primary roads. The department of  
14 economic development shall select at least one site which is in  
15 proximity to a primary road which is not an interstate.

16     (2) Proposals for the sites must be submitted prior to  
17 September 1, 1987, and shall contain a commitment of at least  
18 a one-dollar-per-dollar match of state financial assistance.  
19 The local match may be in terms of land, buildings, or other  
20 noncash items which are acceptable by the department of  
21 economic development.

22     (3) Priority shall be given to proposals that have the best  
23 local match, that are to be located where there is a very high  
24 number of travelers passing, and for which the department of  
25 economic development, after consultation with the departments  
26 of transportation, natural resources, and cultural affairs,  
27 considers the chances of success to be nearly perfect.

28     (4) The department of economic development shall select the  
29 sites by September 15, 1987.

30     Sec. 9. Section 15.292, subsection 6, Code Supplement 2011,  
31 is amended to read as follows:

32     6. The ~~board~~ authority may approve, deny, or defer each  
33 application for financial assistance from the brownfield  
34 redevelopment fund created in section 15.293.

35     Sec. 10. Section 15.293A, subsection 2, paragraph a,

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1 subparagraphs (1) and (2), Code Supplement 2011, are amended  
2 to read as follows:

3 (1) The authority shall accept and, in conjunction with  
4 the council ~~and the board~~, review applications for tax credits  
5 pursuant to this section.

6 (2) Upon review of an application, the authority may  
7 register the project under the program. If the authority  
8 registers the project, the authority shall, in conjunction with  
9 the council ~~and the board~~, make a preliminary determination as  
10 to the amount of tax credit for which the investor qualifies.

11 Sec. 11. Section 15.293A, subsection 8, Code Supplement  
12 2011, is amended to read as follows:

13 8. A registered project shall be completed within thirty  
14 months of the project's approval unless the authority, ~~with the~~  
15 ~~approval of the board~~, provides additional time to complete  
16 the project. A project shall not be provided more than twelve  
17 months of additional time. If the registered project is not  
18 completed within the time required, the project is not eligible  
19 to claim a tax credit pursuant to this section.

20 Sec. 12. Section 15.294, subsection 4, Code Supplement  
21 2011, is amended to read as follows:

22 4. The council, in conjunction with the authority, shall  
23 consider applications for redevelopment tax credits as  
24 described in sections 15.293A and 15.293B, and may recommend  
25 to the ~~board~~ authority which applications to approve and the  
26 amount of such tax credits that each project is eligible to  
27 receive.

28 Sec. 13. Section 15.301, subsection 2, paragraph b,  
29 subparagraphs (1) and (4), Code Supplement 2011, are amended  
30 to read as follows:

31 (1) The department of economic development or the authority  
32 may designate an organization to administer the provisions of  
33 this section on the authority's behalf.

34 (4) An organization designated pursuant to subparagraph (1)  
35 may accept, evaluate, and approve applications for financial

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1 assistance from eligible small businesses pursuant to the  
2 requirements of this section and may monitor the compliance of  
3 eligible businesses with the terms of an agreement entered into  
4 with the department or authority.

5 Sec. 14. Section 15.301, subsection 2, paragraph e, Code  
6 Supplement 2011, is amended to read as follows:

7 e. The department of economic development, under the terms  
8 of an agreement with the organization designated pursuant to  
9 paragraph "b", shall begin to provide financial assistance from  
10 the fund not later than August 1, 2010, and shall to the extent  
11 practicable obligate all available moneys in the fund prior to  
12 March 31, 2011.

13 Sec. 15. Section 15.301, subsection 4, unnumbered paragraph  
14 1, Code Supplement 2011, is amended to read as follows:

15 Upon approval of the application for financial assistance  
16 by the department of economic development, the authority, or  
17 an organization designated pursuant to subsection 2, paragraph  
18 "b", the eligible business shall enter into an agreement with  
19 the department or authority which shall include but not be  
20 limited to all of the following provisions:

21 Sec. 16. Section 15.331A, subsection 2, paragraphs a and b,  
22 Code 2011, are amended to read as follows:

23 a. The contractor or subcontractor shall state under oath,  
24 on forms provided by the department of revenue, the amount of  
25 the sales of goods, wares, or merchandise or services rendered,  
26 furnished, or performed including water, sewer, gas, and  
27 electric utility services upon which sales or use tax has been  
28 paid prior to the project completion, and shall file the forms  
29 with the eligible business before final settlement is made.

30 b. The eligible business shall, not more than one year  
31 after project completion, make application to the department  
32 of revenue for any refund of the amount of the sales and use  
33 taxes paid pursuant to chapter 423 upon any goods, wares, or  
34 merchandise, or services rendered, furnished, or performed,  
35 including water, sewer, gas, and electric utility services.

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1 The application shall be made in the manner and upon forms to  
2 be provided by the department of revenue, and the department of  
3 revenue shall audit the claim and, if approved, issue a warrant  
4 to the eligible business in the amount of the sales or use tax  
5 which has been paid to the state of Iowa under a contract. A  
6 claim filed by the eligible business in accordance with this  
7 section shall not be denied by reason of a limitation provision  
8 set forth in chapter 421 or 423.

9 Sec. 17. Section 15.411, subsection 9, Code Supplement  
10 2011, is amended to read as follows:

11 9. In each fiscal year, the authority may transfer  
12 additional moneys that become available to the authority  
13 from sources such as loan repayments or recaptures of awards  
14 from federal economic stimulus funds to the innovation  
15 and commercialization development fund created in section  
16 15.412, provided the authority spends those moneys for the  
17 implementation of the recommendations included in the separate  
18 consultant reports on bioscience, advanced manufacturing,  
19 information technology, and entrepreneurship submitted to the  
20 department of economic development in calendar years 2004,  
21 2005, and 2006.

22 Sec. 18. Section 15E.64, subsection 2, paragraph a, Code  
23 Supplement 2011, is amended to read as follows:

24 a. The chairperson of the economic development authority  
25 board or a designee of the chairperson.

26 Sec. 19. Section 15E.120, subsection 6, Code Supplement  
27 2011, is amended to read as follows:

28 6. On July 18 ~~1~~, 2011, the economic development authority  
29 shall assume responsibility for the administration of this  
30 section.

31 Sec. 20. Section 15E.193, subsection 1, paragraph b,  
32 subparagraph (2), Code Supplement 2011, is amended to read as  
33 follows:

34 (2) The authority, ~~upon the recommendation of the~~  
35 ~~authority~~, shall adopt rules determining what constitutes a

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1 sufficient package of benefits.

2 Sec. 21. Section 15E.208, subsection 3, paragraph b,  
3 subparagraph (2), subparagraph divisions (c) through (e), Code  
4 Supplement 2011, are amended to read as follows:

5 (c) Notwithstanding any provision of this division to  
6 the contrary, payments on the principal balance of the loan  
7 granted by the corporation to an eligible person and assigned  
8 to the department of economic development pursuant to this  
9 subparagraph during calendar year 2003 shall be deferred until  
10 October 1, 2007. The eligible person shall make principal  
11 payments to the department of economic development in the  
12 amount of one million dollars for each year on October 1,  
13 2007, October 1, 2008, and October 1, 2009. The eligible  
14 person shall pay the department of economic development four  
15 hundred eighty-two thousand seven hundred sixty-one dollars  
16 in interest, which shall be deemed to be the total amount of  
17 interest accruing on the principal amount of the loan. The  
18 eligible person shall pay the interest amount on October 1,  
19 2010. Upon the payment of the principal balance of the loan  
20 and the accrued interest, the debt shall be retired.

21 (d) Notwithstanding any provision of this division to  
22 the contrary, the corporation shall repay the department of  
23 economic development, or its successor entity, the principal  
24 balance of the Iowa agricultural industry finance loan  
25 beginning on October 1, 2007. The principal balance of  
26 the loan equals twenty-one million five hundred seventeen  
27 thousand two hundred thirty-nine dollars. The corporation  
28 shall repay the department of economic development, or its  
29 successor entity, five hundred seventeen thousand two hundred  
30 thirty-nine dollars by October 1, 2007, and for each subsequent  
31 year the corporation shall repay the department, or its  
32 successor entity, at least one million dollars by October 1  
33 until the total principal balance of the loan is repaid. This  
34 subparagraph shall not be construed to limit the authority  
35 of the department of economic development, or its successor

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1 entity, to negotiate the payment of interest accruing on  
2 the principal balance which shall be paid as provided by an  
3 agreement executed by the department of economic development,  
4 or its successor entity, and the corporation.

5 (e) Notwithstanding any provision of this division to  
6 the contrary, payments of principal and interest of the loan  
7 granted by the corporation to an eligible person and assigned  
8 to the department of economic development pursuant to this  
9 subparagraph during calendar year 2003 which were deferred  
10 pursuant to subparagraph division (c) shall be forgiven and the  
11 total debt, including interest, shall be retired.

12 Sec. 22. Section 15E.351, subsection 1, Code Supplement  
13 2011, is amended to read as follows:

14 1. The ~~economic development~~ authority shall establish and  
15 administer a business accelerator program to provide financial  
16 assistance for the establishment and operation of a business  
17 accelerator for technology-based, value-added agricultural,  
18 information solutions, alternative and renewable energy  
19 including the alternative and renewable energy sectors listed  
20 in section 476.42, subsection 1, paragraph "a", subparagraph  
21 (1), or advanced manufacturing start-up businesses or for a  
22 satellite of an existing business accelerator. The program  
23 shall be designed to foster the accelerated growth of new  
24 and existing businesses through the provision of technical  
25 assistance. The ~~economic development~~ authority may provide  
26 financial assistance under this section from moneys allocated  
27 for regional financial assistance pursuant to section 15G.111,  
28 subsection 9.

29 Sec. 23. Section 15E.351, subsection 2, paragraph h, Code  
30 Supplement 2011, is amended to read as follows:

31 h. The business accelerator must possess the willingness to  
32 accept referrals from the ~~economic development~~ authority.

33 Sec. 24. Section 15G.111, subsection 2, paragraphs c and d,  
34 Code Supplement 2011, are amended to read as follows:

35 c. Of the moneys accruing to the fund pursuant to

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1 subsection 1, paragraph "c", the authority, ~~with the approval~~  
2 ~~of the authority~~, may allocate an amount necessary to fund  
3 administrative and operations costs. An allocation pursuant to  
4 this paragraph may be made in addition to any allocations made  
5 pursuant to subsection 4, paragraph "a".

6 d. Of the moneys transferred to the fund pursuant to 2009  
7 Iowa Acts, chapter 123, section 9, the authority, ~~with the~~  
8 ~~approval of the authority~~, may allocate an amount necessary  
9 to fund administrative and operations costs. An allocation  
10 pursuant to this paragraph may be made in addition to any  
11 allocations made pursuant to subsection 4, paragraph "a".

12 Sec. 25. Section 15G.112, subsection 1, paragraph b, Code  
13 Supplement 2011, is amended to read as follows:

14 b. The program shall consist of the components described  
15 in subsections 4 through 9. Each fiscal year, the authority,  
16 ~~with the approval of the authority~~, shall allocate an amount of  
17 financial assistance from the fund that may be awarded under  
18 each component of the program to qualifying applicants.

19 Sec. 26. Section 15G.112, subsection 1, paragraph d,  
20 unnumbered paragraph 1, Code Supplement 2011, is amended to  
21 read as follows:

22 For each award of financial assistance under the program,  
23 the authority and the recipient of the financial assistance  
24 shall enter into an agreement describing the terms and  
25 obligations under which the financial assistance is being  
26 provided. The authority may negotiate, ~~subject to approval by~~  
27 ~~the authority~~, the terms and obligations of the agreement. An  
28 agreement shall contain but need not be limited to all of the  
29 following terms and obligations:

30 Sec. 27. Section 15G.112, subsection 4, paragraph a,  
31 subparagraph (2), Code Supplement 2011, is amended to read as  
32 follows:

33 (2) The business shall provide a sufficient package of  
34 benefits to each employee holding a created or retained job.  
35 The authority, ~~at the recommendation of the authority~~, shall

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1 adopt rules determining what constitutes a sufficient package  
2 of benefits.

3 Sec. 28. Section 15G.112, subsection 5, paragraph b, Code  
4 Supplement 2011, is amended to read as follows:

5 b. The business shall provide a sufficient package of  
6 benefits to each employee holding a created or retained job.  
7 The authority, ~~at the recommendation of the authority,~~ shall  
8 adopt rules determining what constitutes a sufficient package  
9 of benefits.

10 Sec. 29. Section 15G.113, subsection 1, Code Supplement  
11 2011, is amended to read as follows:

12 1. The authority, ~~with the approval of the authority,~~  
13 may award financial assistance from the fund to a business,  
14 an individual, a development corporation, a nonprofit  
15 organization, an organization established in section 28H.1,  
16 or a political subdivision of this state if, in the opinion  
17 of the authority, a project presents a unique opportunity for  
18 economic development in this state, or if the project addresses  
19 a situation constituting a threat to the continued economic  
20 prosperity of this state.

21 Sec. 30. Section 15G.114, subsection 1, Code Supplement  
22 2011, is amended to read as follows:

23 1. The authority, ~~upon the recommendation of the authority,~~  
24 shall adopt rules for the administration of this chapter in  
25 accordance with chapter 17A.

26 Sec. 31. Section 15G.115, subsection 1, Code Supplement  
27 2011, is amended to read as follows:

28 1. The authority shall accept and process applications for  
29 financial assistance under the economic development financial  
30 assistance program. After processing the applications, the  
31 authority shall prepare them for review by advisory committees  
32 and for final action ~~by the authority~~ as described in this  
33 section.

34 Sec. 32. Section 15G.115, subsection 3, paragraphs b and d,  
35 Code Supplement 2011, are amended to read as follows:

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1     **b.** Consider the recommendation of the ~~due diligence~~  
2 ~~committee and the~~ technology commercialization committee on  
3 each application for financial assistance, as described in  
4 subsection 2, and take final action on each application.

5     **d.** Take final action on any rules ~~recommended by the~~  
6 ~~authority~~ for the implementation of the provisions of this  
7 chapter.

8     Sec. 33. Section 15H.3, subsection 1, paragraph k, Code  
9 Supplement 2011, is amended to read as follows:

10    **k.** Additional ex officio, nonvoting members selected by the  
11 commission to the extent that they are not in conflict with the  
12 provisions of the National Community Service Trust Act of 1993  
13 or any related state or federal legislation.

14    Sec. 34. Section 28N.2, subsection 2, paragraph e, Code  
15 Supplement 2011, is amended to read as follows:

16    **e.** Four voting members, each appointed by the heads of the  
17 following ~~departments~~ agencies:

- 18     (1) The department of agriculture and land stewardship.
- 19     (2) The department of natural resources.
- 20     (3) The economic development authority.
- 21     (4) The department of transportation.

22    Sec. 35. Section 29C.20B, subsection 1, Code Supplement  
23 2011, is amended to read as follows:

24    1. The homeland security and emergency management division  
25 shall work with the department of human services and nonprofit,  
26 voluntary, and faith-based organizations active in disaster  
27 recovery and response ~~in coordination with the department of~~  
28 ~~human services~~ to establish a statewide system of disaster  
29 case management to be activated following the governor's  
30 proclamation of a disaster emergency or the declaration of  
31 a major disaster by the president of the United States for  
32 individual assistance purposes. Under the system, the homeland  
33 security and emergency management division shall coordinate  
34 case management services locally through local committees as  
35 established in each commission's emergency plan.

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1     Sec. 36. Section 42.4, subsection 8, paragraph b,  
2 subparagraph (2), Code 2011, is amended to read as follows:  
3     (2) Each holdover senatorial district to which subparagraph  
4 (1) is not applicable shall elect a senator in the year ending  
5 in two for a two-year term commencing in January of the year  
6 ending in three. However, if more than one incumbent state  
7 senator is residing in a holdover senatorial district on the  
8 first Wednesday in February of the year ending in two, and,  
9 on or before the ~~first~~ third Wednesday in February of the  
10 year ending in two, all but one of the incumbent senators  
11 resigns from office effective no later than January of the  
12 year ending in three, the remaining incumbent senator shall  
13 represent the district in the senate for the general assembly  
14 commencing in January of the year ending in three. A copy of  
15 each resignation must be filed in the office of the secretary  
16 of state no later than five p.m. on the third Wednesday in  
17 February of the year ending in two.  
18     Sec. 37. Section 46.2A, subsection 8, Code 2011, is amended  
19 by striking the subsection.  
20     Sec. 38. Section 123.135, subsection 5, Code 2011, is  
21 amended to read as follows:  
22     5. Notwithstanding any other penalties provided by this  
23 chapter, any holder of a certificate of compliance or any  
24 class "A" permit holder who violates this chapter or the rules  
25 adopted pursuant to this chapter is subject to a civil ~~fine~~  
26 penalty not to exceed one thousand dollars or suspension of the  
27 holder's certificate or permit for a period not to exceed one  
28 year, or both such civil ~~fine~~ penalty and suspension. Civil  
29 ~~finer penalties~~ imposed under this section shall be collected  
30 and retained by the division.  
31     Sec. 39. Section 123.180, subsection 6, Code 2011, is  
32 amended to read as follows:  
33     6. Regardless of any other penalties provided by this  
34 chapter, any holder of a certificate of compliance relating to  
35 wine or a class "A" permittee who violates this chapter or the

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1 rules adopted pursuant to this chapter is subject to a civil  
2 ~~fine penalty~~ not to exceed one thousand dollars or subject to  
3 suspension of the certificate of compliance or permit for a  
4 period not to exceed one year, or to both civil ~~fine penalty~~  
5 and suspension. Civil ~~finer penalties~~ imposed under this  
6 section shall be collected and retained by the division.

7 Sec. 40. Section 125.2, subsection 14, Code Supplement  
8 2011, is amended to read as follows:

9 14. *"Psychiatric advanced registered nurse practitioner"*  
10 means an individual currently licensed as a registered nurse  
11 under chapter 152 or 152E who holds a national certification in  
12 psychiatric mental health care and who is registered with the  
13 board of nursing as an advanced registered nurse practitioner.

14 Sec. 41. Section 125.10, subsections 3, 5, 9, and 17, Code  
15 2011, as amended by 2011 Iowa Acts, chapter 121, section 30,  
16 are amended to read as follows:

17 3. Coordinate the efforts and enlist the assistance of all  
18 public and private agencies, organizations and individuals  
19 interested in the prevention of substance ~~abuse~~ misuse and the  
20 treatment of persons with substance-related disorders.

21 5. Cooperate with the department of education, boards  
22 of education, schools, police departments, courts, and other  
23 public and private agencies, organizations, and individuals in  
24 establishing programs for the prevention of substance ~~abuse~~  
25 misuse and the treatment of persons with substance-related  
26 disorders, and in preparing relevant curriculum materials for  
27 use at all levels of school education.

28 9. Sponsor and implement research in cooperation with local  
29 treatment programs into the causes and nature of substance  
30 misuse and treatment of persons with substance-related  
31 disorders, and serve as a clearing house for information  
32 relating to substance ~~abuse~~ misuse.

33 17. Review all state health, welfare, education and  
34 treatment proposals to be submitted for federal funding under  
35 federal legislation, and advise the governor on provisions to

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1 be included relating to substance ~~abuse~~ misuse, and persons  
2 with substance-related disorders.

3 Sec. 42. Section 125.43A, Code 2011, as amended by 2011 Iowa  
4 Acts, chapter 121, section 39, is amended to read as follows:

5 **125.43A Prescreening — exception.**

6 Except in cases of medical emergency or court-ordered  
7 admissions, a person shall be admitted to a state mental health  
8 institute for ~~substance-abuse~~ treatment of a substance-related  
9 disorder only after a preliminary intake and assessment by a  
10 department-licensed treatment facility or a hospital providing  
11 care or treatment for persons with substance-related disorders  
12 licensed under chapter 135B and accredited by the joint  
13 commission on the accreditation of health care organizations,  
14 the commission on accreditation of rehabilitation facilities,  
15 the American osteopathic association, or another recognized  
16 organization approved by the board, or by a designee of a  
17 department-licensed treatment facility or a hospital other  
18 than a state mental health institute, which confirms that  
19 the admission is appropriate to the person's ~~substance~~  
20 ~~abuse~~ substance-related disorder service needs. A county  
21 board of supervisors may seek an admission of a patient to a  
22 state mental health institute who has not been confirmed for  
23 appropriate admission and the county shall be responsible for  
24 one hundred percent of the cost of treatment and services of  
25 the patient.

26 Sec. 43. Section 125.83, Code 2011, as amended by 2011 Iowa  
27 Acts, chapter 121, section 47, is amended to read as follows:

28 **125.83 Placement for evaluation.**

29 If upon completion of the commitment hearing, the court  
30 finds that the contention that the respondent is a person with  
31 a substance-related disorder has been sustained by clear and  
32 convincing evidence, the court shall order the respondent  
33 placed at a facility or under the care of a suitable facility  
34 on an outpatient basis as expeditiously as possible for a  
35 complete evaluation and appropriate treatment. The court shall

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1 furnish to the facility at the time of admission or outpatient  
2 placement, a written statement of facts setting forth the  
3 evidence on which the finding is based. The administrator of  
4 the facility shall report to the court no more than fifteen  
5 days after the individual is admitted to or placed under the  
6 care of the facility, which shall include the chief medical  
7 officer's recommendation concerning ~~substance abuse~~ treatment  
8 of a substance-related disorder. An extension of time may be  
9 granted for a period not to exceed seven days upon a showing  
10 of good cause. A copy of the report shall be sent to the  
11 respondent's attorney who may contest the need for an extension  
12 of time if one is requested. If the request is contested, the  
13 court shall make an inquiry as it deems appropriate and may  
14 either order the respondent released from the facility or grant  
15 extension of time for further evaluation. If the administrator  
16 fails to report to the court within fifteen days after the  
17 individual is admitted to the facility, and no extension  
18 of time has been requested, the administrator is guilty of  
19 contempt and shall be punished under chapter 665. The court  
20 shall order a rehearing on the application to determine whether  
21 the respondent should continue to be held at the facility.

22 Sec. 44. Section 125.91, subsections 2 and 3, Code 2011, as  
23 amended by 2011 Iowa Acts, chapter 121, section 50, are amended  
24 to read as follows:

25 2. a. A peace officer who has reasonable grounds to  
26 believe that the circumstances described in subsection 1 are  
27 applicable may, without a warrant, take or cause that person  
28 to be taken to the nearest available facility referred to in  
29 section 125.81, subsection 2, paragraph "b" or "c". Such a  
30 person with a substance-related disorder due to intoxication  
31 or substance-induced incapacitation who also demonstrates  
32 a significant degree of distress or dysfunction may also  
33 be delivered to a facility by someone other than a peace  
34 officer upon a showing of reasonable grounds. Upon delivery  
35 of the person to a facility under this section, the ~~examining~~

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1 attending physician may order treatment of the person, but  
2 only to the extent necessary to preserve the person's life  
3 or to appropriately control the person's behavior if the  
4 behavior is likely to result in physical injury to the person  
5 or others if allowed to continue. The peace officer or other  
6 person who delivered the person to the facility shall describe  
7 the circumstances of the matter to the ~~examining~~ attending  
8 physician. If the person is a peace officer, the peace  
9 officer may do so either in person or by written report. If  
10 the ~~examining~~ attending physician has reasonable grounds to  
11 believe that the circumstances in subsection 1 are applicable,  
12 the ~~examining~~ attending physician shall at once communicate  
13 with the nearest available magistrate as defined in section  
14 801.4, subsection 10. The magistrate shall, based upon the  
15 circumstances described by the ~~examining~~ attending physician,  
16 give the ~~examining~~ attending physician oral instructions  
17 either directing that the person be released forthwith, or  
18 authorizing the person's detention in an appropriate facility.  
19 The magistrate may also give oral instructions and order that  
20 the detained person be transported to an appropriate facility.  
21     **b.** If the magistrate orders that the person be detained, the  
22 magistrate shall, by the close of business on the next working  
23 day, file a written order with the clerk in the county where it  
24 is anticipated that an application may be filed under section  
25 125.75. The order may be filed by facsimile if necessary. The  
26 order shall state the circumstances under which the person  
27 was taken into custody or otherwise brought to a facility  
28 and the grounds supporting the finding of probable cause to  
29 believe that the person is a person with a substance-related  
30 disorder likely to result in physical injury to the person or  
31 others if not detained. The order shall confirm the oral order  
32 authorizing the person's detention including any order given  
33 to transport the person to an appropriate facility. The clerk  
34 shall provide a copy of that order to the attending physician,  
35 at the facility to which the person was originally taken, any

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1 subsequent facility to which the person was transported, and  
2 to any law enforcement department or ambulance service that  
3 transported the person pursuant to the magistrate's order.  
4 3. The attending physician shall examine and may detain  
5 the person pursuant to the magistrate's order for a period not  
6 to exceed forty-eight hours from the time the order is dated,  
7 excluding Saturdays, Sundays, and holidays, unless the order is  
8 dismissed by a magistrate. The facility may provide treatment  
9 which is necessary to preserve the person's life or to  
10 appropriately control the person's behavior if the behavior is  
11 likely to result in physical injury to the person or others if  
12 allowed to continue or is otherwise deemed medically necessary  
13 by the attending physician, but shall not otherwise provide  
14 treatment to the person without the person's consent. The  
15 person shall be discharged from the facility and released from  
16 detention no later than the expiration of the forty-eight-hour  
17 period, unless an application for involuntary commitment is  
18 filed with the clerk pursuant to section 125.75. The detention  
19 of a person by the procedure in this section, and not in excess  
20 of the period of time prescribed by this section, shall not  
21 render the peace officer, attending physician, or facility  
22 detaining the person liable in a criminal or civil action  
23 for false arrest or false imprisonment if the peace officer,  
24 attending physician, or facility had reasonable grounds to  
25 believe that the circumstances described in subsection 1 were  
26 applicable.  
27 Sec. 45. Section 135.141, subsection 2, paragraph a, Code  
28 2011, is amended to read as follows:  
29 a. Coordinate with the homeland security and emergency  
30 management division of the department of public defense the  
31 administration of emergency planning matters which involve  
32 the public health, including development, administration, and  
33 execution of the public health components of the comprehensive  
34 emergency plan and emergency management program pursuant to  
35 section 29C.8.





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1 Sec. 46. Section 142A.3, subsection 10, Code Supplement  
2 2011, is amended to read as follows:

3 10. The commission may designate an advisory council. The  
4 commission shall determine the membership and representation  
5 of the advisory council and members of the council shall serve  
6 at the pleasure of the commission. The advisory council may  
7 include representatives of health care provider groups, parent  
8 groups, antitobacco advocacy programs and organizations,  
9 ~~tobacco retailers~~, research and evaluation experts, and youth  
10 organizers.

11 Sec. 47. Section 152.12, Code 2011, is amended to read as  
12 follows:

13 **152.12 Examination information.**

14 Notwithstanding section 147.21, individual pass or fail  
15 examination results made available from the authorized national  
16 testing agency may be disclosed to the appropriate licensing  
17 authority in another state, the District of Columbia, or a  
18 territory or ~~county~~ country, and the board-approved education  
19 program, for purposes of verifying accuracy of national data  
20 and determining program approval.

21 Sec. 48. Section 173.11, subsection 3, Code Supplement  
22 2011, is amended to read as follows:

23 3. Administer the foundation fund under the control of the  
24 Iowa state fair foundation, ~~in its capacity as the board of~~  
25 ~~the Iowa state fair foundation~~, as directed by the board in  
26 its capacity as the board of the Iowa state fair foundation.  
27 The treasurer shall administer the fund in accordance with  
28 procedures of the treasurer of state, and maintain a correct  
29 account of receipts and disbursements of assets of the  
30 foundation fund.

31 Sec. 49. Section 226.9C, subsection 2, paragraph c,  
32 subparagraph (1), as enacted by 2011 Iowa Acts, chapter 121,  
33 section 51, is amended to read as follows:

34 (1) Prior to an individual's admission for dual diagnosis  
35 treatment, the individual shall have been prescreened. The

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1 person performing the prescreening shall be either the mental  
2 health professional, as defined in section 228.1, who is  
3 contracting with the county central-point-of-coordination  
4 process to provide the prescreening or a mental health  
5 professional with the requisite qualifications. A mental  
6 health professional with the requisite qualifications shall  
7 meet all of the following qualifications: is a mental health  
8 professional as defined in section 228.1, is ~~a-certified~~ an  
9 alcohol and drug counselor certified by the nongovernmental  
10 Iowa board of substance abuse certification, and is employed  
11 by or providing services for a facility, as defined in section  
12 125.2.

13 Sec. 50. Section 230A.106, subsection 2, paragraph c, as  
14 enacted by 2011 Iowa Acts, chapter 121, section 16, is amended  
15 to read as follows:

16 *c. Day treatment, partial hospitalization, or psychosocial*  
17 *rehabilitation services. ~~Such~~ Day treatment, partial*  
18 *hospitalization, or psychosocial rehabilitation services shall*  
19 *be provided as structured day programs in segments of less than*  
20 *twenty-four hours using a multidisciplinary team approach to*  
21 *develop treatment plans that vary in intensity of services*  
22 *and the frequency and duration of services based on the needs*  
23 *of the patient. These services may be provided directly by*  
24 *the center or in collaboration or affiliation with other*  
25 *appropriately accredited providers.*

26 Sec. 51. Section 232.103, subsection 3, Code 2011, is  
27 amended to read as follows:

28 3. A change in the level of care for a child who is subject  
29 to a dispositional order for out-of-home placement requires  
30 modification of the dispositional order. A hearing shall be  
31 held on a motion to terminate or modify a dispositional order  
32 except that a hearing on a motion to terminate or modify an  
33 order may be waived upon agreement by all parties. Reasonable  
34 notice of the hearing shall be given to the parties. The  
35 hearing shall be conducted in accordance with the ~~provisions of~~

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1 procedure established for dispositional hearings under section  
2 232.50, subsection 3.

3 Sec. 52. Section 236.18, Code 2011, is amended to read as  
4 follows:

5 **236.18 Reference to certain criminal provisions.**

6 In addition to the ~~criminal penalties~~ provisions contained  
7 in this chapter, certain criminal penalties and provisions  
8 pertaining to domestic abuse assaults are set forth in chapter  
9 664A and sections 708.2A and 708.2B.

10 Sec. 53. Section 249H.3, subsection 10, Code 2011, is  
11 amended to read as follows:

12 10. "*Persons with disabilities*" means individuals eighteen  
13 years of age or older with ~~disabilities as disability is~~  
14 defined in section 225B.2 mental or physical impairments that  
15 result in significant functional limitation in one or more  
16 areas of major life activity and in the need for specialized  
17 care, treatment, or training services of extended duration.

18 Sec. 54. Section 252B.9, subsection 1, paragraph f,  
19 subparagraph (5), Code 2011, is amended to read as follows:

20 (5) If the person fails to comply with the request or  
21 subpoena, fails to request a conference, and fails to pay a  
22 fine penalty imposed under subparagraph (4), the unit may  
23 petition the district court to compel the person to comply  
24 with this paragraph. If the person objects to imposition of  
25 the fine penalty, the person may seek judicial review by the  
26 district court.

27 Sec. 55. Section 256.32, subsection 2, paragraph d, Code  
28 Supplement 2011, is amended by striking the paragraph.

29 Sec. 56. Section 256I.3, subsection 2, paragraph a, Code  
30 Supplement 2011, is amended to read as follows:

31 a. The board shall consist of twenty-one voting members with  
32 fifteen citizen members and six state agency members. The six  
33 state agency members shall be the directors or their designees  
34 of the following ~~departments~~ agencies: economic development  
35 authority, education, human rights, human services, public

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1 health, and workforce development. The designees of state  
2 agency directors shall be selected on an annual basis. The  
3 citizen members shall be appointed by the governor, subject to  
4 confirmation by the senate. The governor's appointments of  
5 citizen members shall be made in a manner so that each of the  
6 state's congressional districts is represented by at least two  
7 citizen members and so that all the appointments as a whole  
8 reflect the ethnic, cultural, social, and economic diversity of  
9 the state. A member of the state board shall not be a provider  
10 of services or other entity receiving funding through the early  
11 childhood Iowa initiative or be employed by such a provider or  
12 other entity.

13 Sec. 57. Section 256I.5, subsection 4, paragraph a, Code  
14 Supplement 2011, is amended to read as follows:

15 a. Enter into memoranda of agreement with the departments  
16 of education, human rights, human services, public health, and  
17 workforce development and the economic development authority  
18 to formalize the commitments of the respective departments'  
19 commitments departments and the authority to collaborating with  
20 and integrating a comprehensive early care, education, health,  
21 and human services system. Items addressed in the memoranda  
22 shall include but are not limited to data sharing and providing  
23 staffing to the technical assistance team.

24 Sec. 58. Section 260C.18A, subsection 2, paragraph e, Code  
25 Supplement 2011, is amended by striking the paragraph.

26 Sec. 59. Section 261E.8, subsection 3, Code Supplement  
27 2011, is amended to read as follows:

28 3. A student may make application to a community college and  
29 the school district to allow the student to enroll for college  
30 credit in a nonsectarian course offered by the community  
31 college. A comparable course, as defined in rules adopted by  
32 the board of directors of the school district, must not be  
33 offered by the school district or accredited nonpublic school  
34 which the student attends. The school board shall annually  
35 approve courses to be made available for high school credit

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1 using locally developed criteria that establishes which courses  
2 will provide the student with academic rigor and will prepare  
3 the student adequately for transition to a postsecondary  
4 institution. If ~~an eligible postsecondary institution a~~  
5 community college accepts a student for enrollment under  
6 this section, the school district, in collaboration with the  
7 community college, shall send written notice to the student,  
8 the student's parent or legal guardian in the case of a minor  
9 child, and the student's school district. The notice shall  
10 list the course, the clock hours the student will be attending  
11 the course, and the number of hours of college credit that the  
12 student will receive from the community college upon successful  
13 completion of the course.

14 Sec. 60. Section 267A.2, Code Supplement 2011, is amended  
15 to read as follows:

16 **267A.2 Definitions.**

17 As used in this ~~section~~ chapter, unless the context  
18 otherwise requires:

19 1. "*Coordinator*" means the local food and farm program  
20 coordinator created in section 267A.4.

21 2. "*Council*" means the local food and farm program council  
22 established in section 267A.3.

23 3. "*Department*" means the department of agriculture and land  
24 stewardship.

25 4. "*Fund*" means the local food and farm program fund created  
26 in section 267A.5.

27 Sec. 61. Section 282.1, subsection 1, Code 2011, is amended  
28 to read as follows:

29 1. Persons between five and twenty-one years of age are of  
30 school age. Nonresident children shall be charged the maximum  
31 tuition rate as determined in section 282.24, subsection 1,  
32 with the exception that those residing temporarily in a school  
33 corporation may attend school in the corporation upon terms  
34 prescribed by the board. A school district discontinuing  
35 grades under section 282.7, subsection 1 or ~~subsections 1 and~~

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1 3, shall be charged tuition as provided in section 282.24,  
2 subsection 1.

3 Sec. 62. Section 282.10, subsection 1, Code 2011, is amended  
4 to read as follows:

5 1. Whole grade sharing is a procedure used by school  
6 districts whereby all or a substantial portion of the pupils in  
7 any grade in two or more school districts share an educational  
8 program for all or a substantial portion of a school day  
9 under a written agreement pursuant to section 256.13, 280.15,  
10 or 282.7, subsection 1 or ~~subsections 1 and 3~~. Whole grade  
11 sharing may either be one-way or two-way sharing.

12 Sec. 63. Section 282.18, subsection 15, Code 2011, is  
13 amended to read as follows:

14 15. a. If a request under this section is for transfer to  
15 ~~a laboratory~~ the research and development school, as described  
16 in chapter 256G, the student who is the subject of the request  
17 shall be included in the basic enrollment of the student's  
18 district of residence and the board of directors of the  
19 district of residence shall pay to ~~a laboratory~~ the research  
20 and development school the state cost per pupil for the  
21 previous school year, plus any moneys received for the pupil as  
22 a result of the non-English speaking weighting under section  
23 280.4, subsection 3, for the previous school year multiplied by  
24 the state cost per pupil for the previous year.

25 b. Notwithstanding subsection 7, a district of residence  
26 shall not be required to pay the state cost per pupil for a  
27 student attending ~~a laboratory~~ the research and development  
28 school during the school year beginning July 1, 2010, if  
29 the student was not included in the district of residence's  
30 enrollment count for funding purposes in the school year  
31 beginning July 1, 2009.

32 Sec. 64. Section 306D.2, subsection 1, unnumbered paragraph  
33 1, Code Supplement 2011, is amended to read as follows:

34 The state department of transportation shall prepare a  
35 statewide, long-range plan for the protection, enhancement,

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1 and identification of highways and secondary roads which pass  
2 through unusually scenic areas of the state as identified  
3 in section 306D.1. The department of natural resources,  
4 department of economic development authority, and department of  
5 cultural affairs, private organizations, county conservation  
6 boards, city park and recreation departments, and the federal  
7 agencies having jurisdiction over land in the state shall be  
8 encouraged to assist in preparing the plan. The plan shall be  
9 coordinated with the state's open space plan if a state open  
10 space plan has been approved by the general assembly. The plan  
11 shall include, but is not limited to, the following elements:

12 Sec. 65. Section 321.18, subsection 9, Code 2011, is amended  
13 by striking the subsection.

14 Sec. 66. Section 321.180B, subsection 1, paragraph c, Code  
15 Supplement 2011, is amended to read as follows:

16 c. Except as otherwise provided, a permittee who is less  
17 than eighteen years of age and who is operating a motor vehicle  
18 must be accompanied by a person issued a driver's license  
19 valid for the vehicle operated who is the parent, guardian,  
20 or custodian of the permittee, a member of the permittee's  
21 immediate family if the family member is at least twenty-one  
22 years of age, an approved driver education instructor, a  
23 prospective driver education instructor who is enrolled in  
24 a practitioner preparation program with a safety education  
25 program approved by the state board of education, or a person  
26 at least twenty-five years of age if written permission is  
27 granted by the parent, guardian, or custodian, and who is  
28 actually occupying a seat beside the driver. A permittee shall  
29 not operate a motor vehicle if the number of passengers in the  
30 motor vehicle exceeds the number of passenger safety belts  
31 in the motor vehicle. If the applicant for an instruction  
32 permit holds a driver's license issued in this state valid  
33 for the operation of a motorized bicycle or a motorcycle, the  
34 instruction permit shall be valid for such operation without  
35 the requirement of an accompanying person.

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1     Sec. 67. Section 321.186, subsection 3, Code Supplement  
2 2011, is amended to read as follows:  
3     3. The examination shall include a screening of the  
4 applicant's eyesight, a test of the applicant's ability to  
5 read and understand highway signs regulating, warning, and  
6 directing traffic, a test of the applicant's knowledge of the  
7 traffic laws of this state, an actual demonstration of ability  
8 to exercise ordinary and reasonable control in the operation  
9 of a motor vehicle, and other physical and mental examinations  
10 as the department finds necessary to determine the applicant's  
11 fitness to operate a motor vehicle safely upon the highways.  
12 However, an applicant for a new driver's license ~~other than~~  
13 ~~a commercial driver's license~~ need not pass a vision test  
14 administered by the department if the applicant files with the  
15 department a vision report in accordance with section 321.186A  
16 which shows that the applicant's visual acuity level meets or  
17 exceeds those required by the department.  
18     Sec. 68. Section 331.427, subsection 3, paragraph a, Code  
19 2011, is amended to read as follows:  
20     a. Expenses of a ~~joint~~ local emergency management commission  
21 under chapter 29C.  
22     Sec. 69. Section 331.653, subsection 5, Code 2011, is  
23 amended to read as follows:  
24     5. Serve as a member of the ~~joint~~ local emergency management  
25 commission as provided in section 29C.9.  
26     Sec. 70. Section 331.756, subsection 4, Code Supplement  
27 2011, is amended to read as follows:  
28     4. Prosecute misdemeanors under chapter ~~236~~ 664A. The  
29 county attorney shall prosecute other misdemeanors when not  
30 otherwise engaged in the performance of other official duties.  
31     Sec. 71. Section 419.4, subsection 2, Code 2011, is amended  
32 to read as follows:  
33     2. a. The proceedings under which the bonds are authorized  
34 to be issued under the provisions of this chapter, and any  
35 mortgage given to secure the same, may contain any agreements

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1 and provisions customarily contained in instruments securing  
2 bonds, including~~7~~ but not limited to:  
3     ~~a-~~ (1) Provisions respecting custody of the proceeds  
4 from the sale of the bonds including their investment and  
5 reinvestment until used to defray the cost of the project.  
6     ~~b-~~ (2) Provisions respecting the fixing and collection of  
7 rents or payment with respect to any project covered by such  
8 proceedings or mortgage.  
9     ~~c-~~ (3) The terms to be incorporated in the lease, sale  
10 contract, or loan agreement with respect to such project.  
11     ~~d-~~ (4) The maintenance and insurance of such project.  
12     ~~e-~~ (5) The creation, maintenance, custody, investment and  
13 reinvestment and use of special funds from the revenues of such  
14 project, and  
15     ~~f-~~ (6) The rights and remedies available in case of a  
16 default to the bond holders or to any trustee under the lease,  
17 sale contract, loan agreement or mortgage.  
18     b. A municipality shall have the power to provide that  
19 proceeds from the sale of bonds and special funds from the  
20 revenues of the project shall be invested and reinvested in  
21 such securities and other investments as shall be provided in  
22 the proceedings under which the bonds are authorized to be  
23 issued including:  
24         (1) obligations issued or guaranteed by the United States;  
25         (2) obligations issued or guaranteed by any person  
26 controlled or supervised by and acting as an instrumentality of  
27 the United States pursuant to authority granted by the Congress  
28 of the United States;  
29         (3) obligations issued or guaranteed by any state of the  
30 United States, or the District of Columbia, or any political  
31 subdivision of any such state or district;  
32         (4) prime commercial paper;  
33         (5) prime finance company paper;  
34         (6) bankers' acceptances drawn on and accepted by banks  
35 organized under the laws of any state or of the United States;

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1 (7) repurchase agreements fully secured by obligations  
2 issued or guaranteed by the United States or by any person  
3 controlled or supervised by and acting as an instrumentality of  
4 the United States pursuant to authority granted by the Congress  
5 of the United States; and

6 (8) certificates of deposit issued by banks organized  
7 under the laws of any state or of the United States; whether  
8 or not such investment or reinvestment is authorized under any  
9 other law of this state. The municipality shall also have the  
10 power to provide that such proceeds or funds or investments  
11 and the amounts payable under the lease, sale contract, or  
12 loan agreement shall be received, held and disbursed by one or  
13 more banks or trust companies located in or out of the state  
14 of Iowa. A municipality shall also have the power to provide  
15 that the project and improvements shall be constructed by the  
16 municipality, lessee, the lessee's designee, the contracting  
17 party, or the contracting party's designee, or any one or  
18 more of them on real estate owned by the municipality, the  
19 lessee, the lessee's designee, the contracting party, or the  
20 contracting party's designee, as the case may be, that the  
21 bond proceeds shall be disbursed by the trustee bank or banks,  
22 trust company or trust companies, during construction upon the  
23 estimate, order or certificate of the lessee, the lessee's  
24 designee, the contracting party, or the contracting party's  
25 designee.

26 c. In making such agreements or provisions as provided  
27 in this subsection, a municipality shall not have the power  
28 to obligate itself, except with respect to the project and  
29 the application of the revenues therefrom, and shall not have  
30 the power to incur a pecuniary liability or a charge upon its  
31 general credit or against its taxing powers.

32 Sec. 72. Section 422.5, subsection 3, paragraph b, Code  
33 Supplement 2011, is amended to read as follows:

34 b. In lieu of the computation in subsection 1~~7~~ or 2, or 3  
35 in paragraph "a" of this subsection, if the married persons',

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1 filing jointly or filing separately on a combined return,  
2 head of household's, or surviving spouse's net income exceeds  
3 thirteen thousand five hundred dollars, the regular tax imposed  
4 under this division shall be the lesser of the maximum state  
5 individual income tax rate times the portion of the net income  
6 in excess of thirteen thousand five hundred dollars or the  
7 regular tax liability computed without regard to this sentence.  
8 Taxpayers electing to file separately shall compute the  
9 alternate tax described in this paragraph using the total net  
10 income of the husband and wife. The alternate tax described  
11 in this paragraph does not apply if one spouse elects to carry  
12 back or carry forward the loss as provided in section 422.9,  
13 subsection 3.

14 Sec. 73. Section 422.7, subsection 51, Code Supplement  
15 2011, is amended to read as follows:

16 51. Subtract, to the extent included, the amount of any  
17 Vietnam Conflict veterans bonus provided pursuant to section  
18 35A.8, subsection 5, ~~and section 35A.8A.~~

19 Sec. 74. Section 422.11S, subsection 7, paragraph a,  
20 subparagraph (2), Code Supplement 2011, is amended to read as  
21 follows:

22 (2) *"Total approved tax credits"* means for the tax year  
23 beginning in the 2006 calendar year, two million five hundred  
24 thousand dollars, for the tax year beginning in the 2007  
25 calendar year, five million dollars, and for tax years  
26 beginning on or after January 1, 2008, seven million five  
27 hundred thousand dollars. However, for tax years beginning on  
28 or after January 1, 2012, ~~and only if legislation is enacted~~  
29 ~~by the Eighty-fourth General Assembly, 2011 session, amending~~  
30 ~~section 257.8, subsections 1 and 2, to establish both the state~~  
31 ~~percent of growth and the categorical state percent of growth~~  
32 ~~for the budget year beginning July 1, 2012, at two percent,~~  
33 *"total approved tax credits"* means eight million seven hundred  
34 fifty thousand dollars.

35 Sec. 75. Section 422.11T, Code 2011, is amended to read as

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1 follows:

2 **422.11T Film qualified expenditure tax credit.**

3 The taxes imposed under this division, less the ~~credit~~  
4 credits allowed under section 422.12, shall be reduced by a  
5 qualified expenditure tax credit authorized pursuant to section  
6 15.393, subsection 2, paragraph "a".

7 Sec. 76. Section 422.11U, Code 2011, is amended to read as  
8 follows:

9 **422.11U Film investment tax credit.**

10 The taxes imposed under this division, less the ~~credit~~  
11 credits allowed under section 422.12, shall be reduced by an  
12 investment tax credit authorized pursuant to section 15.393,  
13 subsection 2, paragraph "b".

14 Sec. 77. Section 437A.14, subsection 3, Code Supplement  
15 2011, is amended to read as follows:

16 3. Unless otherwise expressly permitted by a section  
17 referencing this chapter, the kilowatt-hours of electricity or  
18 therms of natural gas delivered by a taxpayer in a competitive  
19 service area shall not be divulged to any person or entity,  
20 other than the taxpayer, the department of revenue, or the  
21 internal revenue service for use in a matter unrelated to tax  
22 administration. This prohibition precludes persons or entities  
23 other than the taxpayer, the department of revenue, or the  
24 internal revenue service from obtaining such information from  
25 the department of revenue. A subpoena, order, or process which  
26 requires the department of revenue to produce such information  
27 to a person or entity, other than the taxpayer, the department  
28 of revenue, or internal revenue service, for use in a nontax  
29 proceeding is void.

30 Sec. 78. Section 445.5, subsection 6, Code Supplement 2011,  
31 is amended to read as follows:

32 6. The county treasurer shall deliver to the taxpayer a  
33 receipt stating the year of tax, date of payment, a description  
34 of the parcel, and the amount of taxes, interest, fees, and  
35 costs paid when payment is made by cash tender. A receipt

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1 for other payment tender types shall only be delivered upon  
2 request. The receipt shall be in full ~~of~~ for the first half,  
3 second half, or full year amounts unless a payment is made  
4 under section 445.36A or 435.24, subsection 6.

5 Sec. 79. Section 452A.3, subsection 5, Code 2011, is amended  
6 to read as follows:

7 5. a. The tax shall be paid by the following:

8 ~~a.~~ (1) The supplier, upon the invoiced gross gallonage of  
9 all motor fuel or undyed special fuel withdrawn from a terminal  
10 for delivery in this state.

11 (2) Tax shall not be paid when the sale of alcohol occurs  
12 within a terminal from an alcohol manufacturer to an Iowa  
13 licensed supplier. The tax shall be paid by the Iowa licensed  
14 supplier when the invoiced gross gallonage of the alcohol or  
15 the alcohol part of ethanol blended gasoline is withdrawn from  
16 a terminal for delivery in this state.

17 ~~b.~~ (3) The person who owns the fuel at the time it is  
18 brought into the state by a restrictive supplier or importer,  
19 upon the invoiced gross gallonage of motor fuel or undyed  
20 special fuel imported.

21 ~~c.~~ (4) The blender on total invoiced gross gallonage of  
22 alcohol or other product sold to be blended with gasoline or  
23 special fuel.

24 ~~d.~~ (5) Any other person who possesses taxable fuel upon  
25 which the tax has not been paid to a licensee.

26 b. ~~However, the~~ The tax shall not be imposed or collected  
27 under this division with respect to motor fuel or special fuel  
28 sold for export or exported from this state to any other state,  
29 territory, or foreign country.

30 Sec. 80. Section 455B.487, Code 2011, is amended to read as  
31 follows:

32 **455B.487 Facility acquisition and operation.**

33 1. The commission shall adopt rules establishing criteria  
34 for the identification of land areas or sites which are  
35 suitable for the operation of facilities for the management

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1 of hazardous and low-level radioactive wastes. Upon request,  
2 the department shall assist in locating suitable sites for the  
3 location of a facility. The commission may purchase or condemn  
4 land to be leased or used for the operation of a facility  
5 subject to chapter 6A. Consideration for a contract for  
6 purchase of land shall not be in excess of funds appropriated  
7 by the general assembly for that purpose. The commission may  
8 lease land purchased under this section to any person including  
9 the state or a state agency. This section authorizes the state  
10 to own or operate hazardous waste facilities and low-level  
11 radioactive waste facilities, subject to the approval of the  
12 general assembly.

13 2. The purchase, condemnation, use, or lease of land for the  
14 management of wastes, shall be approved by the general assembly  
15 prior to the purchase, condemnation, use, or lease of the land.

16 3. a. The terms of the lease or contract shall establish  
17 responsibility for long-term monitoring and maintenance of the  
18 site. The commission shall require that the lessee or operator  
19 post bond or provide proof of sufficient insurance coverage,  
20 as determined by the commission to be reasonably necessary to  
21 protect the state against liabilities arising from the storage  
22 of wastes, abandonment of the facility, facility accidents,  
23 failure of the facility, or other liabilities which may arise.

24 b. The terms of the lease or contract shall also require  
25 that the lessee or operator of the facility pay an annual  
26 fee to the state, as established by the commission, to cover  
27 facility monitoring costs, and shall require that the lessee  
28 or operator establish a long-term monitoring and maintenance  
29 fund in which the lessee or operator shall deposit annually an  
30 amount specified by the commission. The fund shall be used  
31 to pay closure, long-term monitoring and maintenance, and  
32 contingency costs.

33 4. The lease agreement or contract shall provide for a  
34 local review and monitoring committee established by the  
35 county or municipal entity governing the jurisdiction in

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1 which the facility is located. Prior to the approval of a  
2 lease agreement or contract the local committee shall review  
3 the application of the prospective lessee or operator and  
4 shall determine the suitability of the proposed site for  
5 the facility. The local committee may inspect the facility  
6 during operation and may make recommendations regarding the  
7 operation and closure of the facility. The commission shall  
8 establish a surtax paid by the lessee or operator of a facility  
9 to the local governmental entity, and retained by the local  
10 governmental entity in which the facility is located. The  
11 lessee or operator of the facility shall provide funding for  
12 the implementation of the duties of the local committee.

13 5. The lessee or operator is subject to all applicable  
14 permit and licensing requirements. The leasehold interest,  
15 including improvements made to the property, shall be listed,  
16 assessed, and valued as any other real property as provided by  
17 law.

18 6. a. Facilities acquired or operated pursuant to this  
19 section shall comply with applicable federal and state  
20 statutes, local ordinances, and regulations adopted by  
21 regulatory agencies to the extent required by law.

22 ~~The purchase, condemnation, use, or lease of land for the~~  
23 ~~management of wastes, shall be approved by the general assembly~~  
24 ~~prior to the purchase, condemnation, use, or lease of the land.~~

25 b. Facilities acquired or operated pursuant to this section  
26 may be used for regional, statewide or multistate management  
27 of wastes.

28 c. Facilities acquired or operated pursuant to this section  
29 shall not be used for the purpose of shallow land burial of  
30 wastes as a means of disposal.

31 7. An operator of a facility acquired or operated pursuant  
32 to this section shall require that a person, prior to the use  
33 of the facility, submit proof that reasonable and good faith  
34 measures have been taken to reduce the generation of waste.

35 8. A hazardous waste facility acquired or operated pursuant

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1 to this section shall be operated in accordance with the  
2 following schedule:

3 ~~1-~~ a. The initial fee paid by a person depositing hazardous  
4 waste at the facility shall be increased by ten percent per ton  
5 upon receipt of twenty-five percent of the waste capacity of  
6 the facility.

7 ~~2-~~ b. The initial fee paid by a person depositing hazardous  
8 waste at the facility shall be increased by twenty-five percent  
9 per ton upon receipt of fifty percent of the waste capacity of  
10 the facility.

11 ~~3-~~ c. Upon receipt of fifty percent of the waste capacity  
12 of the facility, the receipt of waste shall be limited to  
13 hazardous waste generated within the state of Iowa. If an  
14 agreement has been established between the owner or operator of  
15 the hazardous waste facility and an out-of-state generator of  
16 hazardous waste, this limitation is null and void.

17 Sec. 81. Section 459.501, subsection 5, paragraph b, Code  
18 Supplement 2011, is amended to read as follows:

19 b. The department of natural resources shall credit an  
20 amount to the fund from which the expense authorized by the  
21 executive council as provided in paragraph "a" was appropriated  
22 which is equal to an amount ~~allocated~~ authorized for payment  
23 to support the livestock remediation fund by the executive  
24 council under paragraph "a". However, the department shall only  
25 be required to credit the moneys to such fund if the moneys  
26 in the livestock remediation fund which are not obligated or  
27 encumbered, and not counting the department's estimate of  
28 the cost to the livestock remediation fund for pending or  
29 unsettled claims, the amount to be allocated to the department  
30 of agriculture and land stewardship, and any amount required to  
31 be transferred to the fund from which appropriated as described  
32 in this paragraph, are in excess of two million five hundred  
33 thousand dollars. The department is not required to credit the  
34 total amount to the fund from which appropriated as described  
35 in this paragraph during any one fiscal year.

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1 Sec. 82. Section 459.502, subsection 2, Code Supplement  
2 2011, is amended to read as follows:

3 2. The department shall deposit moneys collected from  
4 the fees into the livestock remediation fund according to  
5 procedures adopted by the department.

6 Sec. 83. Section 461A.80, Code Supplement 2011, is amended  
7 to read as follows:

8 **461A.80 Public outdoor recreation and resources advisory**  
9 **council.**

10 1. An advisory council for public outdoor recreation and  
11 resources appropriations made for the purposes of section  
12 461A.79 is created. The council shall consist of a public  
13 member appointed by the governor from each congressional  
14 district, the chairperson of the commission, the director, and  
15 a designee of the economic development authority.

16 2. Each county conservation board of those counties which  
17 are located in a congressional district shall nominate one  
18 person from the congressional district for appointment to the  
19 advisory council. The commission shall compile a list of  
20 the nominations of the county conservation boards for each  
21 congressional district and shall provide this list to the  
22 governor. The governor shall appoint one member from each  
23 congressional district from the nominations as provided.  
24 Appointments shall be made for three-year terms beginning July  
25 1 in the year of appointment. A person shall not serve more  
26 than two terms. A vacancy shall be filled for the unexpired  
27 term in the same manner as the original appointment was made.

28 3. No more than three public members shall belong to the  
29 same political party. The council shall elect a chairperson  
30 annually from among the council's members, and the director  
31 shall serve as council secretary. Persons already serving in  
32 an elected or appointed governmental capacity are not eligible  
33 to serve as council members.

34 ~~2.~~ 4. The advisory council shall meet annually, in July,  
35 and upon the call of the chairperson of the advisory council.

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1 The advisory council shall make policy recommendations to  
2 the commission regarding the projects and programs to be  
3 funded from funds available for public outdoor recreation and  
4 resources from appropriations made for the purposes of section  
5 461A.79.

6 ~~3. Each county conservation board of those counties which~~  
7 ~~are located in a congressional district shall nominate one~~  
8 ~~person from the congressional district for appointment to the~~  
9 ~~advisory council. The commission shall compile a list of~~  
10 ~~the nominations of the county conservation boards for each~~  
11 ~~congressional district and shall provide this list to the~~  
12 ~~governor. The governor shall appoint one member from each~~  
13 ~~congressional district from the nominations as provided.~~  
14 ~~Appointments shall be made for three-year terms beginning July~~  
15 ~~1 in the year of appointment. A person shall not serve more~~  
16 ~~than two terms. A vacancy shall be filled for the unexpired~~  
17 ~~term in the same manner as the original appointment was made.~~

18 5. The public members of the advisory council shall be  
19 reimbursed for actual and necessary expenses for each day  
20 employed in the official discharge of their duties. The  
21 expenses shall be paid from the administration fund of the  
22 commission. Each member of the council may also be eligible to  
23 receive compensation as provided in section 7E.6.

24 Sec. 84. Section 462A.2, subsection 24, Code Supplement  
25 2011, is amended to read as follows:

26 24. "Operate" means to navigate or otherwise use a vessel or  
27 motorboat. For the purposes of section 462A.12, subsection  
28 2, sections 462A.14, 462A.14A, 462A.14B, 462A.14C, 462A.14D,  
29 and 462A.14E, and section 462A.23, subsection 2, paragraph  
30 "b", "operate", when used in reference to a motorboat, means  
31 the motorboat is powered by a motor which is running, and when  
32 used in reference to a sailboat, means the sailboat is either  
33 powered by a motor which is running, or the sailboat is under  
34 way and has sails hoisted and is not propelled by a motor, ~~and~~  
35 ~~is under way.~~

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1 Sec. 85. Section 465A.2, subsection 1, paragraph b,  
2 unnumbered paragraph 1, Code Supplement 2011, is amended to  
3 read as follows:

4 Prepare a statewide, long-range plan for the acquisition  
5 and protection of significant open space lands throughout the  
6 state as identified in section 465A.1. The department of  
7 transportation, department of economic development authority,  
8 and department of cultural affairs, private organizations,  
9 county conservation boards, city park and recreation  
10 departments, and the federal agencies with lands in the state  
11 shall be directly involved in preparing the plan. The plan  
12 shall include, but is not limited to, the following elements:

13 Sec. 86. Section 466B.3, subsection 4, paragraph m, Code  
14 Supplement 2011, is amended by striking the paragraph.

15 Sec. 87. Section 468.221, subsection 2, paragraph b, Code  
16 Supplement 2011, is amended to read as follows:

17 *b.* If the written communication is to be delivered to a  
18 local government, it may be delivered to the governing body of  
19 the local government. The written communication may also be  
20 delivered to a person designated by the governing body. As  
21 used in this ~~paragraph~~ section, "*local government*" includes  
22 a county, city, township, or any special purpose district or  
23 authority.

24 Sec. 88. Section 473.1, subsections 1 and 6, Code Supplement  
25 2011, are amended to read as follows:

26 1. "*Alternative and renewable energy*" means ~~the same~~  
27 ~~as in section 469.31~~ energy sources including but not  
28 limited to solar, wind turbine, waste management, resource  
29 recovery, recovered energy generation, refuse-derived fuel,  
30 hydroelectric, agricultural crops or residues, hydrogen  
31 produced using renewable fuel sources, and woodburning, or  
32 relating to renewable fuel development and distribution.

33 6. "*Renewable fuel*" means ~~the same as in section 469.31~~ a  
34 fuel that is all of the following:

35 *a.* A motor vehicle fuel that is any of the following:

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1     (1) Produced from grain; starch; oilseed; vegetable,  
2     animal, or fish materials, including but not limited to fats,  
3     greases, and oil; sugar components, grasses, or potatoes; or  
4     other biomass.

5     (2) Natural gas produced from a biogas source including  
6     but not limited to a landfill, sewage waste treatment plant,  
7     animal feeding operation, or other place where decaying organic  
8     material is found.

9     b. Used to replace or reduce the quantity of fossil fuel  
10    present in a motor fuel mixture used to operate a motor  
11    vehicle.

12    Sec. 89. Section 473.7, subsection 2, Code Supplement 2011,  
13 is amended to read as follows:

14    2. ~~The authority shall collect~~ Collect and analyze data  
15 to use in forecasting future energy demand and supply for  
16 the state. A supplier is required to provide information  
17 pertaining to the supply, storage, distribution, and sale of  
18 energy sources in this state when requested by the authority.  
19 The information shall be of a nature which directly relates  
20 to the supply, storage, distribution, and sale of energy  
21 sources, and shall not include any records, documents, books,  
22 or other data which relate to the financial position of the  
23 supplier. The authority, prior to requiring any supplier to  
24 furnish it with such information, shall make every reasonable  
25 effort to determine if such information is available from any  
26 other governmental source. If it finds such information is  
27 available, the authority shall not require submission of the  
28 information from a supplier. Notwithstanding the provisions of  
29 chapter 22, information and reports obtained under this section  
30 shall be confidential except when used for statistical purposes  
31 without identifying a specific supplier and when release of  
32 the information will not give an advantage to competitors and  
33 serves a public purpose. The authority shall use this data to  
34 conduct energy forecasts.

35    Sec. 90. Section 473.10, subsection 4, Code Supplement

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1 2011, is amended to read as follows:

2 4. The ~~director~~ authority shall adopt rules to implement  
3 this section.

4 Sec. 91. Section 476.1C, subsection 1, Code 2011, is amended  
5 to read as follows:

6 1. Gas public utilities having fewer than two thousand  
7 customers ~~are:~~

8 a. Are not subject to the regulation authority of  
9 the utilities board under this chapter unless otherwise  
10 specifically provided. Sections 476.10, 476.20, 476.21, and  
11 476.51 apply to such gas utilities.

12 b. ~~Gas public utilities having fewer than two thousand~~  
13 ~~customers shall~~ Shall be subject to the assessment of fees  
14 for the support of the Iowa energy center created in section  
15 266.39C and the center for global and regional environmental  
16 research created by the state board of regents and shall file  
17 energy efficiency plans and energy efficiency results with  
18 the board. The energy efficiency plans as a whole shall be  
19 cost-effective. The board may waive all or part of the energy  
20 efficiency filing requirements if the gas utility demonstrates  
21 superior results with existing energy efficiency efforts.

22 c. ~~Gas public utilities having fewer than two thousand~~  
23 ~~customers shall~~ Shall keep books, accounts, papers and records  
24 accurately and faithfully in the manner and form prescribed by  
25 the board. The board may inspect the accounts of the utility  
26 at any time.

27 d. (1) ~~A gas public utility having fewer than two thousand~~  
28 ~~customers may~~ May make effective a new or changed rate,  
29 charge, schedule, or regulation after giving written notice  
30 of the proposed new or changed rate, charge, schedule, or  
31 regulation to all affected customers served by the public  
32 utility. The notice shall inform the customers of their right  
33 to petition for a review of the proposal to the utilities  
34 board within sixty days after notice is served if the petition  
35 contains the signatures of at least one hundred of the gas

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1 utility's customers. The notice shall state the address of the  
2 utilities board. The new or changed rate, charge, schedule, or  
3 regulation takes effect sixty days after such valid notice is  
4 served unless a petition for review of the new or changed rate,  
5 charge, schedule, or regulation signed by at least one hundred  
6 of the gas utility's customers is filed with the board prior to  
7 the expiration of the sixty-day period.

8     (2) If such a valid petition is filed with the board  
9 within the sixty-day period, any new or changed rate, charge,  
10 schedule, or regulation shall take effect, under bond or  
11 corporate undertaking, subject to refund of all amounts  
12 collected in excess of those amounts which would have been  
13 collected under the rates or charges finally approved by the  
14 board. The board shall within five months of the date of  
15 filing make a determination of just and reasonable rates based  
16 on a review of the proposal, applying established regulatory  
17 principles. The board may call upon the gas public utility  
18 and its customers to furnish factual evidence in support of or  
19 opposition to the new or changed rate, charge, schedule, or  
20 regulation. If the gas public utility disputes the finding,  
21 the utility may within twenty days file for further review, and  
22 the board shall docket the case as a formal proceeding under  
23 section 476.6, subsection 4, and set the case for hearing. The  
24 gas public utility shall submit factual evidence and written  
25 argument in support of the filing.

26     ~~e. A gas public utility having fewer than two thousand~~  
27 ~~customers shall~~ Shall not make effective a new or changed rate,  
28 charge, schedule, or regulation which relates to services for  
29 which a rate change is pending within twelve months following  
30 the date the petition to review the prior proposed rate,  
31 charge, schedule, or regulation was filed with the board  
32 or until the board has made its determination of just and  
33 reasonable rates, whichever date is earlier, unless the utility  
34 applies to the board for authority and receives authority to  
35 make a subsequent rate change at an earlier date.

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1 ~~f. Gas public utilities having fewer than two thousand~~  
2 ~~customers shall~~ Shall not make or grant any unreasonable  
3 preferences or advantages as to rates or services to any  
4 person or subject any person to any unreasonable prejudice  
5 or disadvantage. Rates charged by a gas public utility  
6 having less than two thousand customers for transportation of  
7 customer-owned gas shall not exceed the actual cost of such  
8 transportation services including a fair rate of return.

9 Sec. 92. Section 476C.4, subsection 4, paragraph b,  
10 subparagraph (2), Code Supplement 2011, is amended to read as  
11 follows:

12 (2) The applicant shall, in the application made under this  
13 section, identify the equity holders or beneficiaries that  
14 are to receive the tax credit certificates and the percentage  
15 of the tax credit that is allocable to each equity holder or  
16 beneficiary.

17 Sec. 93. Section 483A.24, subsection 1, Code Supplement  
18 2011, is amended to read as follows:

19 1. Owners or tenants of land, and their juvenile minor  
20 children, may hunt, fish or trap upon such lands and may shoot  
21 by lawful means ground squirrels, gophers, or woodchucks upon  
22 adjacent roads without securing a license so to do; except,  
23 special licenses to hunt deer and wild turkey shall be required  
24 of owners and tenants but they shall not be required to have a  
25 special wild turkey hunting license to hunt wild turkey on a  
26 hunting preserve licensed under chapter 484B.

27 Sec. 94. Section 483A.24, subsection 2, paragraph a,  
28 subparagraph (3), subparagraph division (b), Code Supplement  
29 2011, is amended to read as follows:

30 (b) An owner does not mean a person who owns a farm unit  
31 and who employs a farm manager or third party to operate the  
32 farm unit, or a person who owns a farm unit and who rents the  
33 entire farm unit to a tenant who is responsible for all farm  
34 operations. However, this ~~paragraph~~ subparagraph division does  
35 not apply to an owner who is a parent of the tenant and who

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1 resides in this state.

2 Sec. 95. Section 496B.12, Code Supplement 2011, is amended  
3 to read as follows:

4 **496B.12 Articles amended.**

5 1. The articles of incorporation of any development  
6 corporation may be amended by the votes of the shareholders and  
7 the members thereof voting separately by classes.

8 2. Any amendment shall require approval by the affirmative  
9 vote of two-thirds of the votes to which the shareholders shall  
10 be entitled and two-thirds of the votes to which the members  
11 shall be entitled. No amendment, however, shall be made  
12 which: ~~(1)~~

13 a. ~~is~~ Is inconsistent with this chapter~~;~~. ~~(2)~~

14 b. ~~authorizes~~ Authorizes any additional class or classes of  
15 shares of capital stock~~;~~. ~~(3)~~

16 c. ~~eliminates~~ Eliminates or curtails the authority of the  
17 authority with respect to the corporation.

18 3. Without the consent of each of the members affected, no  
19 amendment shall be made which does any of the following: ~~(1)~~

20 a. ~~increases~~ Increases the obligation of a member to make  
21 loans to the corporation~~;~~. ~~(2)~~

22 b. ~~makes~~ Makes any change in the principal amount, interest  
23 rate, maturity date, or in the security or credit position of  
24 any outstanding loan of a member to the corporation~~;~~. ~~(3)~~

25 c. ~~affects~~ Affects a member's right to withdraw from  
26 membership, as provided herein~~—or~~. ~~(4)~~

27 d. ~~affects~~ Affects a member's voting rights in the  
28 corporation.

29 4. Within thirty days after any meeting at which amendment  
30 of any such articles has been adopted, articles of amendment  
31 signed and sworn to by the president, secretary, and majority  
32 of the directors, setting forth such amendment and the due  
33 adoption thereof, shall be submitted to the director of the  
34 authority who shall examine them, and if the director finds  
35 that they conform to the requirements of this chapter, shall

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1 so certify and endorse the director's approval thereof.  
2 Thereupon, the articles of amendment shall be filed in the  
3 office of the secretary of state in the manner set forth and  
4 as provided in the Iowa business corporation Act, chapter 490,  
5 and no such amendment shall take effect until such articles of  
6 amendment shall have been approved and filed as aforesaid.  
7 5. Within sixty days after the effective date of any  
8 legislative amendment affecting the rights and obligations  
9 of the members and shareholders or otherwise affecting the  
10 articles of incorporation, the approval of such legislative  
11 amendments shall be voted on by the shareholders and the  
12 members of the development corporation at a meeting duly  
13 called for that purpose. If such legislative amendment is not  
14 approved by the affirmative vote of two-thirds of the votes to  
15 which such shareholders shall be entitled and two-thirds of the  
16 votes to which such members shall be entitled, any such member  
17 voting against the approval of such legislative amendment shall  
18 have the right to withdraw from membership as provided in this  
19 chapter.  
20 6. Within thirty days after any meeting at which a  
21 legislative amendment affecting the articles of incorporation  
22 of a development corporation has been voted on, a certificate  
23 filed and sworn to by the secretary or other recording officer  
24 of such corporation setting forth the action taken at such  
25 meeting with respect to such amendment shall be submitted to  
26 the director of the authority and upon receipt of such approval  
27 shall be filed in the office of the secretary of state.  
28 Sec. 96. Section 501A.504, subsection 4, Code Supplement  
29 2011, is amended to read as follows:  
30 4. Filing. An amendment of the articles shall be filed with  
31 the secretary as required in section 501A.201. The amendment  
32 is effective as provided in subchapter II. After an amendment  
33 to the articles of organization has been adopted and approved  
34 in the manner required by this chapter and by the articles of  
35 organization, the cooperative shall deliver to the secretary of

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1 state for filing articles of amendment which shall set forth  
2 all of the following:

3     a. The name of the cooperative.

4     b. The text of each amendment adopted.

5     c. The date of each amendment's adoption.

6     d. (1) If the amendment was adopted by the directors or  
7 ~~members~~, a statement that the amendment was duly adopted in  
8 the manner required by this chapter and by the articles of  
9 organization and that members' adoption was not required.

10     ~~e.~~ (2) If an amendment required adoption by the members, a  
11 statement that the amendment was duly adopted by the members  
12 in the manner required by this chapter and by the articles of  
13 organization.

14     Sec. 97. Section 507B.7, subsection 1, paragraph a, Code  
15 Supplement 2011, is amended to read as follows:

16     a. Payment of a civil penalty of not more than one thousand  
17 dollars for each act or violation of this subtitle, but not  
18 to exceed an aggregate of ten thousand dollars, unless the  
19 person knew or reasonably should have known the person was in  
20 violation of this subtitle, in which case the penalty shall be  
21 not more than five thousand dollars for each act or violation,  
22 but not to exceed an aggregate penalty of fifty thousand  
23 dollars in any one six-month period. If the commissioner finds  
24 that a violation of this subtitle was directed, encouraged,  
25 condoned, ignored, or ratified by the employer of the person  
26 or by an insurer, the commissioner shall also assess a ~~fine~~  
27 penalty to the employer or insurer.

28     Sec. 98. Section 509.3, subsection 1, paragraph d, Code  
29 2011, is amended to read as follows:

30     d. A provision that if the insurance on a person or  
31 insurance on a person and the person's dependents covered by  
32 the policy ceases because of termination of employment or of  
33 membership in the class, the person and the person's dependents  
34 may continue their accident or health insurance under the  
35 group policy ~~and may subsequently apply for a converted policy~~

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1 ~~without evidence of insurability, as provided in chapter 509B.~~

2     Sec. 99. Section 514J.108, subsection 1, paragraph c, Code  
3 Supplement 2011, is amended to read as follows:

4     c. A final adverse determination that concerns an admission,  
5 availability of care, continued stay, or health care service  
6 for which the covered person received emergency services, and  
7 the covered person has not been discharged from a facility.

8     Sec. 100. Section 515C.2, subsection 1, Code 2011, is  
9 amended to read as follows:

10    1. An insurer, in order to qualify for writing mortgage  
11 guaranty insurance, must have the same surplus to policyholders  
12 as that required of a multiple line company by section ~~515.49,~~  
13 ~~subsection 8~~ 515.8.

14     Sec. 101. Section 523C.13, subsection 1, Code Supplement  
15 2011, is amended to read as follows:

16    1. Payment of a civil penalty of not more than one thousand  
17 dollars for each and every act or violation, but not to exceed  
18 an aggregate of ten thousand dollars, unless the person knew  
19 or reasonably should have known the person was in violation of  
20 this section, in which case the penalty shall be not more than  
21 five thousand dollars for each and every act or violation, but  
22 not to exceed an aggregate penalty of fifty thousand dollars  
23 in any one six-month period. The commissioner shall, if it  
24 finds the violations of this section were directed, encouraged,  
25 condoned, ignored, or ratified by the employer of such person,  
26 assess such ~~fine~~ penalty to the employer and not such person.  
27 Any civil penalties collected under this subsection shall be  
28 deposited as provided in section 505.7.

29     Sec. 102. Section 524.904, subsection 3, paragraph c, Code  
30 Supplement 2011, is amended to read as follows:

31     c. Shipping documents or instruments that secure title  
32 to or give a first lien on livestock. At inception, the  
33 current value of the livestock securing the loans must equal  
34 at least one hundred percent of the amount of the outstanding  
35 loans and extensions of credit. For purposes of this section,

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1 "livestock" includes dairy and beef cattle, hogs, sheep, and  
2 poultry, whether or not held for resale. For livestock held  
3 for resale, current value means the price listed for livestock  
4 in a regularly published listing or actual purchase price  
5 established by invoice. For livestock not held for resale,  
6 the value shall be determined by the local slaughter price.  
7 The state bank must maintain in its files evidence of purchase  
8 or an inspection and valuation for the livestock pledged that  
9 is reasonably current, taking into account the nature and  
10 frequency of turnover of the livestock to which the documents  
11 relate.

12 Sec. 103. Section 524.904, subsection 5, paragraph c, Code  
13 Supplement 2011, is amended to read as follows:

14 c. To demonstrate compliance with this subsection, a state  
15 bank shall maintain in its files, at a minimum, all of the  
16 following:

17 (1) Documentation demonstrating the current ownership of  
18 the borrowing entity.

19 (2) Documentation identifying the persons who have voting  
20 rights in the borrowing entity.

21 (3) Documentation identifying the board of directors and  
22 senior management of the borrowing entity.

23 (4) The state bank's assessment of the borrowing entity's  
24 means of servicing the loan or extension of credit, including  
25 specific reasons in support of that assessment. The assessment  
26 shall include an analysis of the borrowing entity's financial  
27 history, its present and projected economic and financial  
28 performance, and the significance of any financial support  
29 provided to the borrowing entity by members of the borrowing  
30 group and third parties.

31 Sec. 104. Section 524.904, subsection 7, paragraph m, Code  
32 Supplement 2011, is amended to read as follows:

33 m. A renewal or restructuring of a loan as a new loan or  
34 extension of credit following the exercise by a state bank of  
35 reasonable efforts, consistent with safe and sound banking

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1 practices, to bring the loan into conformance with the lending  
2 limit, unless new funds are advanced by the state bank to  
3 the borrower or unless a new borrower replaces the original  
4 borrower or unless the superintendent determines that the  
5 renewal or restructuring was undertaken as a means to evade the  
6 state bank's lending limit.

7 Sec. 105. Section 568.16, Code Supplement 2011, is amended  
8 to read as follows:

9 **568.16 Purchase money refunded.**

10 If the grantee of the state, or the grantee's successors,  
11 administrators, or assigns, shall be deprived of the land  
12 conveyed by the state under this chapter by the final decree  
13 of a court of record for the reason that the conveyance by  
14 the state did not pass title to the land described, because  
15 title to the land had previously for any reason been vested  
16 in others, then the money paid ~~by~~ to the state for the land  
17 shall be refunded by the state to the person or persons  
18 entitled to the refund, provided the grantee, or the grantee's  
19 successors, administrators, or assigns, shall file a certified  
20 copy of the transcript of the final decree with the executive  
21 council within one year from the date of the issuance of  
22 such decree, and shall also file satisfactory proof with the  
23 executive council that the action over the title to the land  
24 was commenced within ten years from the date of the issuance of  
25 patent or deed by the state. The amount of money to be refunded  
26 under the provisions of this section shall be authorized  
27 and paid by the executive council as an expense from the  
28 appropriations addressed in section 7D.29.

29 Sec. 106. Section 602.9202, subsection 4, Code 2011, is  
30 amended to read as follows:

31 4. "*Senior judge retirement age*" means seventy-eight years  
32 of age or, if the senior judge is reappointed as a senior  
33 judge for an additional ~~two-year~~ one-year term upon attaining  
34 seventy-eight years of age pursuant to section 602.9203, eighty  
35 years of age.

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1 Sec. 107. Section 631.17, subsection 4, Code Supplement  
2 2011, is amended to read as follows:

3 4. The district court shall dismiss any case subsequently  
4 brought directly or indirectly by a person subject to a bar  
5 pursuant to subsection 1 in violation of that subsection and  
6 shall assess all costs to that person, and the court shall  
7 assess a further civil ~~fine~~ penalty of one hundred dollars  
8 against that person for each such case dismissed.

9 Sec. 108. Section 633.3, subsection 8, Code Supplement  
10 2011, is amended to read as follows:

11 8. *Costs of administration* — includes court costs,  
12 fiduciary's fees, attorney fees, all appraisers' fees, premiums  
13 on corporate surety bonds, statutory allowance for support  
14 of surviving spouse and children, cost of continuation of  
15 abstracts of title, recording fees, transfer fees, transfer  
16 taxes, agents' fees allowed by order of court, interest  
17 expense, including, but not limited to, interest payable on  
18 extension of federal and state estate tax, and all other fees  
19 and expenses allowed by order of court in connection with  
20 the administration of the estate. Court costs shall include  
21 expenses of selling property.

22 Sec. 109. Section 633A.3106, subsection 2, Code Supplement  
23 2011, is amended to read as follows:

24 2. For the purposes of this section, a child born after the  
25 death of the settlor who would have been entitled to a share  
26 of the settlor's probate estate pursuant to section 633.267  
27 shall be treated as a child of the settlor ~~for purposes of this~~  
28 ~~section.~~

29 Sec. 110. Section 655A.3, subsection 1, paragraph b, Code  
30 2011, is amended to read as follows:

31 b. The notice shall contain the following in capital letters  
32 of the same type or print size as the rest of the notice:

33 WITHIN THIRTY DAYS AFTER YOUR RECEIPT OF THIS NOTICE, YOU  
34 MUST EITHER CURE THE DEFAULTS DESCRIBED IN THIS NOTICE OR FILE  
35 WITH THE RECORDER OF THE COUNTY WHERE THE MORTGAGED PROPERTY

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1 IS LOCATED A REJECTION OF THIS NOTICE AND SERVE A COPY OF YOUR  
2 REJECTION ON THE MORTGAGEE IN THE MANNER PROVIDED BY THE RULES  
3 OF CIVIL PROCEDURE FOR SERVICE OF ORIGINAL NOTICES IN SECTION  
4 655A.4. IF YOU WISH TO REJECT THIS NOTICE, YOU SHOULD CONSULT  
5 AN ATTORNEY AS TO THE PROPER MANNER TO MAKE THE REJECTION.

6 IF YOU DO NOT TAKE EITHER OF THE ACTIONS DESCRIBED ABOVE  
7 WITHIN THE THIRTY-DAY PERIOD, THE FORECLOSURE WILL BE COMPLETE  
8 AND YOU WILL LOSE TITLE TO THE MORTGAGED PROPERTY. AFTER THE  
9 FORECLOSURE IS COMPLETE THE DEBT SECURED BY THE MORTGAGED  
10 PROPERTY WILL BE EXTINGUISHED.

11 Sec. 111. Section 692A.118, subsections 11 and 12, Code  
12 Supplement 2011, are amended to read as follows:

13 11. When the department has a reasonable basis to believe  
14 that a sex offender has changed residence to an unknown  
15 location, has become a fugitive from justice, or has otherwise  
16 taken flight, ~~the department shall~~ make a reasonable effort to  
17 ascertain the whereabouts of the offender, and if such effort  
18 fails to identify the location of the offender, an appropriate  
19 notice shall be made on the sex offender registry internet  
20 site of this state and shall be transmitted to the national  
21 sex offender registry. The department shall notify other law  
22 enforcement agencies as deemed appropriate.

23 12. ~~The department shall notify~~ Notify appropriate law  
24 enforcement agencies including the United States marshal  
25 service to investigate and verify possible violations. The  
26 department shall ensure any warrants for arrest are entered  
27 into the Iowa online warrant and articles system and the  
28 national crime information center and pursue prosecution of  
29 stated violations through state or federal court.

30 Sec. 112. Section 714.27, subsection 2, paragraph a, Code  
31 Supplement 2011, is amended to read as follows:

32 a. ~~The identity of~~ Identifying information for the person  
33 from whom the salvaged material was received or purchased,  
34 including name and address; date of birth; Iowa driver's  
35 license number, Iowa nonoperator's identification card



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1 number, or social security number in conjunction with photo  
2 identification; sex, age, height, and race.

3 Sec. 113. Section 717F.1, subsection 5, paragraph a,  
4 subparagraph (9), Code Supplement 2011, is amended by striking  
5 the subparagraph.

6 Sec. 114. Section 717F.1, subsection 5, paragraph a,  
7 subparagraph (10), subparagraph division (d), Code Supplement  
8 2011, is amended to read as follows:

9 (d) A member of the family elapidae, ~~voperidae~~ viperidae,  
10 crotalidae, atractaspidae, or hydrophidae which are venomous,  
11 including but not limited to cobras, mambas, coral snakes,  
12 kraits, adders, vipers, rattlesnakes, copperheads, pit vipers,  
13 keelbacks, cottonmouths, and sea snakes.

14 Sec. 115. Section 717F.8, subsection 2, paragraph j, Code  
15 2011, is amended to read as follows:

16 j. Fifty dollars for a member of the family elapidae,  
17 ~~voperidae~~ viperidae, crotalidae, atractaspidae, or hydrophidae  
18 which are venomous, including but not limited to cobras,  
19 mambas, coral snakes, kraits, adders, vipers, rattlesnakes,  
20 copperheads, pit vipers, keelbacks, cottonmouths, and sea  
21 snakes.

22 Sec. 116. Section 805.8A, subsection 13, paragraph f, Code  
23 Supplement 2011, is amended to read as follows:

24 f. For violations of section 327B.1, subsection 1 or 2 3,  
25 the scheduled fine is two hundred fifty dollars.

26 Sec. 117. Section 811.1, subsection 1, Code Supplement  
27 2011, is amended to read as follows:

28 1. A defendant awaiting judgment of conviction and  
29 sentencing following either a plea or verdict of guilty of  
30 a class "A" felony~~7~~; forcible felony as defined in section  
31 702.11~~7~~; any class "B" felony included in section 462A.14 or  
32 707.6A; any felony included in section 124.401, subsection  
33 1, paragraph "a" or "b"; ~~or~~ a second or subsequent offense  
34 under section 124.401, subsection 1, paragraph "c"; any felony  
35 punishable under section 902.9, subsection 1; any public





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1 offense committed while detained pursuant to section 229A.5;  
2 or any public offense committed while subject to an order of  
3 commitment pursuant to chapter 229A.

4 Sec. 118. Section 907.5, Code Supplement 2011, is amended  
5 to read as follows:

6 **907.5 Standards for release on probation — written reasons.**

7 1. Before deferring judgment, deferring sentence, or  
8 suspending sentence, the court first shall determine which  
9 option, if available, will provide maximum opportunity for  
10 the rehabilitation of the defendant and protection of the  
11 community from further offenses by the defendant and others.  
12 In making this determination, the court shall consider all of  
13 the following:

14 a. The age of the defendant;~~the.~~

15 b. The defendant's prior record of convictions and prior  
16 record of deferments of judgment if any;~~the.~~

17 c. The defendant's employment circumstances;~~the.~~

18 d. The defendant's family circumstances;~~the.~~

19 e. The defendant's mental health and substance abuse history  
20 and treatment options available in the community and the  
21 correctional system;~~the.~~

22 f. The nature of the offense committed;~~and such.~~

23 g. Such other factors as are appropriate.

24 2. The court shall file a specific written statement of  
25 its reasons for and the facts supporting its decision to defer  
26 judgment, to defer sentence, or to suspend sentence, and its  
27 decision on the length of probation.

28 Sec. 119. REPEAL. Section 15.103, Code Supplement 2011, is  
29 repealed.

30 Sec. 120. REPEAL. Section 135.160, Code 2011, is repealed.

31 Sec. 121. 2011 Iowa Acts, chapter 113, section 45, is  
32 amended by striking the section and inserting in lieu thereof  
33 the following:

34 SEC. 45. Section 159.20, subsection 1, paragraph j, Code  
35 2011, is amended to read as follows:

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1 j. Provide for the promotion and expansion of renewable  
2 fuels and coproducts, by doing all of the following:  
3 ~~j.~~ (1) Assist the office of renewable fuels and coproducts  
4 in administering the provisions of chapter 159A, subchapter II.  
5 (2) Assist the renewable fuel infrastructure board, provide  
6 for the administration of the renewable fuel infrastructure  
7 programs, and provide for the management of the renewable fuel  
8 infrastructure fund, as provided in chapter 159A, subchapter  
9 III.

10 Sec. 122. 2011 Iowa Acts, chapter 131, section 134, is  
11 amended to read as follows:

12 SEC. 134. 2011 Iowa Acts, Senate File 510, section ~~28~~ 27, if  
13 enacted, is amended to read as follows:

14 ~~SEC. 28.~~ SEC. 27. EFFECTIVE DATE. The following provision  
15 of this division of this Act takes effect thirty days after  
16 enactment, ~~notwithstanding section 3.7 of this Act or thirty~~  
17 days after the enactment of 2011 Iowa Acts, Senate File 533,  
18 if enacted, whichever is later:

19 The section of this division of this Act ~~amending~~ enacting  
20 section 124.204, subsection 4, paragraph "ai", subparagraphs  
21 (1) through (4).

22 Sec. 123. 2011 Iowa Acts, chapter 131, section 135, is  
23 amended to read as follows:

24 SEC. 135. 2011 Iowa Acts, Senate File 510, section ~~29~~ 28, if  
25 enacted, is amended to read as follows:

26 ~~SEC. 29.~~ SEC. 28. EFFECTIVE UPON ENACTMENT. The following  
27 provision of this division of this Act, being deemed of  
28 immediate importance, ~~and notwithstanding section 3.7~~ takes  
29 effect upon enactment of this Act or upon enactment of 2011  
30 Iowa Acts, Senate File 533, if enacted, whichever is later:

31 The section of this Act ~~amending~~ enacting section 124.204,  
32 subsection 4, paragraph "ai", subparagraph (5).

33 DIVISION II

34 INTERNAL REFERENCES

35 Sec. 124. Section 7E.5A, subsection 4, Code 2011, is amended

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1 to read as follows:

2 4. As used in this section, "*vertical infrastructure*" means  
3 the same as defined in section 8.57, subsection 6 5, paragraph  
4 "c".

5 Sec. 125. Section 8.22A, subsection 5, paragraph b, Code  
6 Supplement 2011, is amended to read as follows:

7 b. The amount of revenue for the following fiscal year from  
8 gambling revenues and from interest earned on the cash reserve  
9 fund and the economic emergency fund to be deposited in the  
10 rebuild Iowa infrastructure fund under section 8.57, subsection  
11 6 5, paragraph "e".

12 Sec. 126. Section 8.57A, subsection 4, Code Supplement  
13 2011, is amended to read as follows:

14 4. a. There is appropriated from the rebuild Iowa  
15 infrastructure fund for the fiscal year beginning July 1, 2013,  
16 and for each fiscal year thereafter, the sum of forty-two  
17 million dollars to the environment first fund, notwithstanding  
18 section 8.57, subsection 6 5, paragraph "c".

19 b. There is appropriated from the rebuild Iowa  
20 infrastructure fund each fiscal year for the period beginning  
21 July 1, 2010, and ending June 30, 2012, the sum of thirty-three  
22 million dollars to the environment first fund, notwithstanding  
23 section 8.57, subsection 6 5, paragraph "c".

24 c. There is appropriated from the rebuild Iowa  
25 infrastructure fund for the fiscal year beginning July 1,  
26 2012, and ending June 30, 2013, the sum of thirty-five million  
27 dollars to the environment first fund, notwithstanding section  
28 8.57, subsection 6 5, paragraph "c".

29 Sec. 127. Section 8.57C, subsection 3, paragraphs b through  
30 d, Code Supplement 2011, are amended to read as follows:

31 b. There is appropriated from the rebuild Iowa  
32 infrastructure fund for the fiscal year beginning July 1, 2008,  
33 and ending June 30, 2009, the sum of seventeen million five  
34 hundred thousand dollars, and for the fiscal year beginning  
35 July 1, 2009, and ending June 30, 2010, the sum of fourteen



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1 million five hundred twenty-five thousand dollars to the  
2 technology reinvestment fund, notwithstanding section 8.57,  
3 subsection 6 5, paragraph "c".

4     c. There is appropriated from the rebuild Iowa  
5 infrastructure fund for the fiscal year beginning July 1, 2010,  
6 and ending June 30, 2011, the sum of ten million dollars to the  
7 technology reinvestment fund, notwithstanding section 8.57,  
8 subsection 6 5, paragraph "c".

9     d. There is appropriated from the rebuild Iowa  
10 infrastructure fund for the fiscal year beginning July 1,  
11 2011, and ending June 30, 2012, the sum of fifteen million,  
12 five hundred forty-one thousand dollars to the technology  
13 reinvestment fund, notwithstanding section 8.57, subsection 6  
14 5, paragraph "c".

15     Sec. 128. Section 8A.123, subsection 1, Code 2011, is  
16 amended to read as follows:

17     1. Activities of the department shall be accounted  
18 for within the general fund of the state, except that the  
19 director may establish and maintain internal service funds in  
20 accordance with generally accepted accounting principles, as  
21 defined in section 8.57, subsection 5 4, for activities of  
22 the department which are primarily funded from billings to  
23 governmental entities for services rendered by the department.  
24 The establishment of an internal service fund is subject to  
25 the approval of the director of the department of management  
26 and the concurrence of the auditor of state. At least ninety  
27 days prior to the establishment of an internal service fund  
28 pursuant to this section, the director shall notify in writing  
29 the general assembly, including the legislative council,  
30 legislative fiscal committee, and the legislative services  
31 agency.

32     Sec. 129. Section 12.87, subsection 1, paragraph b,  
33 subparagraph (1), Code Supplement 2011, is amended to read as  
34 follows:

35     (1) On or after July 1, 2009, the treasurer of state may

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1 issue and sell bonds in amounts which provide aggregate net  
2 proceeds of not more than one hundred eighty-five million  
3 dollars for capital projects which qualify as vertical  
4 infrastructure projects as defined in section 8.57, subsection  
5 6 5, paragraph "c", to the extent practicable in any fiscal year  
6 and without limiting other qualifying capital expenditures.

7 Sec. 130. Section 12.89, subsection 2, paragraph b, Code  
8 2011, is amended to read as follows:

9 b. The revenues required to be deposited into the fund  
10 pursuant to section 8.57, subsection 6 5, paragraph "e",  
11 subparagraphs (1) and (2).

12 Sec. 131. Section 12.89A, subsection 2, paragraph a, Code  
13 Supplement 2011, is amended to read as follows:

14 a. The revenues required to be deposited in the fund  
15 pursuant to section 8.57, subsection 6 5, paragraph "e",  
16 subparagraphs (1) and (2).

17 Sec. 132. Section 12E.12, subsection 1, paragraph b,  
18 subparagraphs (1) and (2), Code 2011, are amended to read as  
19 follows:

20 (1) The tax-exempt bond proceeds restricted capital funds  
21 account. The net proceeds of tax-exempt bonds issued to  
22 provide funds for capital projects, certain debt service, and  
23 attorney fees related to the master settlement agreement which  
24 the state treasurer is authorized and directed to deposit on  
25 behalf of the state shall be deposited in the account and shall  
26 be used to fund capital projects, certain debt service, and  
27 the payment of attorney fees related to the master settlement  
28 agreement. With respect to capital projects, it is the  
29 intent of the general assembly to fund capital projects that  
30 qualify as vertical infrastructure projects as defined in  
31 section 8.57, subsection 6 5, paragraph "c", to the extent  
32 practicable in any fiscal year and without limiting other  
33 qualifying capital expenditures considered and approved by a  
34 constitutional majority of each house of the general assembly  
35 and the governor.



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1     (2) The FY 2009 tax-exempt bond proceeds restricted  
2 capital funds account. The net proceeds of tax-exempt bonds  
3 issued after July 1, 2008, as a result of the securitization  
4 of any remaining tobacco settlement payments to provide  
5 funds for capital projects which the treasurer of state is  
6 authorized and directed to deposit on behalf of the state  
7 shall be deposited in the account and shall be used to fund  
8 capital projects. With respect to capital projects, it is  
9 the intent of the general assembly to fund capital projects  
10 that qualify as vertical infrastructure projects as defined  
11 in section 8.57, subsection 6 5, paragraph "c", to the extent  
12 practicable in any fiscal year and without limiting other  
13 qualifying capital expenditures considered and approved by a  
14 constitutional majority of each house of the general assembly  
15 and the governor.

16     Sec. 133. Section 15G.110, Code Supplement 2011, is amended  
17 to read as follows:

18     **15G.110 Appropriation.**

19     For the fiscal year beginning July 1, 2011, and ending June  
20 30, 2012, there is appropriated to the economic development  
21 authority fifteen million dollars from the rebuild Iowa  
22 infrastructure fund for deposit in the economic development  
23 fund, notwithstanding section 8.57, subsection 6 5, paragraph  
24 "c".

25     Sec. 134. Section 16.193, subsection 2, Code Supplement  
26 2011, is amended to read as follows:

27     2. For the period beginning July 1, 2009, and ending June  
28 30, 2011, two hundred thousand dollars of the moneys deposited  
29 in the rebuild Iowa infrastructure fund shall be allocated  
30 each fiscal year to the Iowa finance authority for purposes of  
31 administering the Iowa jobs program and Iowa jobs II program,  
32 notwithstanding section 8.57, subsection 6 5, paragraph "c".

33     Sec. 135. Section 99G.39, subsection 3, paragraph a, Code  
34 2011, is amended to read as follows:

35     a. Notwithstanding subsection 1, if gaming revenues under

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1 sections 99D.17 and 99F.11 are insufficient in a fiscal year to  
2 meet the total amount of such revenues directed to be deposited  
3 in the vision Iowa fund and the school infrastructure fund  
4 during the fiscal year pursuant to section 8.57, subsection 6  
5 5, paragraph "e", the difference shall be paid from lottery  
6 revenues prior to deposit of the lottery revenues in the  
7 general fund. If lottery revenues are insufficient during the  
8 fiscal year to pay the difference, the remaining difference  
9 shall be paid from lottery revenues in subsequent fiscal years  
10 as such revenues become available.

11 Sec. 136. Section 123.53, subsection 3, Code Supplement  
12 2011, is amended to read as follows:

13 3. Notwithstanding subsection 2, if gaming revenues under  
14 sections 99D.17 and 99F.11 are insufficient in a fiscal year to  
15 meet the total amount of such revenues directed to be deposited  
16 in the revenue bonds debt service fund and the revenue bonds  
17 federal subsidy holdback fund during the fiscal year pursuant  
18 to section 8.57, subsection 6 5, paragraph "e", the difference  
19 shall be paid from moneys deposited in the beer and liquor  
20 control fund prior to transfer of such moneys to the general  
21 fund pursuant to subsection 2 and prior to the transfer of such  
22 moneys pursuant to subsections 5 and 6. If moneys deposited in  
23 the beer and liquor control fund are insufficient during the  
24 fiscal year to pay the difference, the remaining difference  
25 shall be paid from moneys deposited in the beer and liquor  
26 control fund in subsequent fiscal years as such moneys become  
27 available.

28 Sec. 137. Section 260G.6, subsection 2, Code Supplement  
29 2011, is amended to read as follows:

30 2. Projects funded pursuant to this section shall be for  
31 vertical infrastructure as defined in section 8.57, subsection  
32 6 5, paragraph "c".

33 Sec. 138. Section 324A.6A, Code 2011, is amended to read as  
34 follows:

35 **324A.6A Public transit infrastructure grant fund.**

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1 A public transit infrastructure grant fund is established  
2 within the department. Moneys in the fund shall be awarded to  
3 public transit systems within the state for construction and  
4 infrastructure projects that meet the definition of *"vertical*  
5 *infrastructure"* in section 8.57, subsection 6 5, paragraph *"c"*.  
6 The fund shall consist of appropriations made to the fund and  
7 transfers of interest, earnings, and moneys from other funds as  
8 provided by law. In awarding grant assistance, the office of  
9 public transit within the department shall, by rule, specify  
10 certain criteria that must be included in a grant application,  
11 which shall include but not be limited to information on the  
12 feasibility of completion of an individual infrastructure  
13 project. Notwithstanding section 8.33, moneys in the public  
14 transit infrastructure grant fund shall not revert to the fund  
15 from which they are appropriated but shall remain available  
16 indefinitely for expenditure under this section.

17 Sec. 139. Section 461A.3A, subsection 1, Code Supplement  
18 2011, is amended to read as follows:

19 1. The department shall establish a restore the outdoors  
20 program. The purpose of the program is to provide funding  
21 for projects involving existing vertical infrastructure as  
22 defined in section 8.57, subsection 6 5, paragraph *"c"*, or  
23 the construction of new vertical infrastructure if the new  
24 construction is required due to increased demand for facilities  
25 at the park or if it is not cost-effective to repair or  
26 renovate the existing vertical infrastructure. Projects shall  
27 be limited to existing state parks and other public facilities  
28 managed by the department.

29 Sec. 140. Section 473.19A, subsection 3, Code Supplement  
30 2011, is amended to read as follows:

31 3. The building energy management fund shall be limited to  
32 a maximum of one million dollars. Amounts in excess of this  
33 maximum limitation shall be transferred to and deposited in  
34 the rebuild Iowa infrastructure fund created in section 8.57,  
35 subsection 6 5.





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1 DIVISION III  
2 EFFECTIVE DATE AND APPLICABILITY PROVISIONS  
3 Sec. 141. EFFECTIVE UPON ENACTMENT. The provisions in  
4 division I of this Act, being deemed of immediate importance,  
5 take effect upon enactment:  
6 1. The section of this Act amending section 42.4, subsection  
7 8.  
8 2. The section of this Act amending section 15E.120.  
9 3. The section of this Act amending 2011 Iowa Acts, chapter  
10 113, section 45.  
11 4. The section of this Act amending 2011 Iowa Acts, chapter  
12 131, section 134.  
13 5. The section of this Act amending 2011 Iowa Acts, chapter  
14 131, section 135.  
15 Sec. 142. EFFECTIVE DATE — CONTINGENT REPEAL. The section  
16 of this Act amending section 321.18, Code 2011, by striking  
17 subsection 9, takes effect on June 30, 2012, or on the date  
18 that chapter 322E is repealed, whichever date is the latest.  
19 Sec. 143. RETROACTIVE APPLICABILITY. The section of this  
20 Act amending section 42.4, subsection 8, applies retroactively  
21 to January 1, 2011.  
22 Sec. 144. RETROACTIVE APPLICABILITY. The following  
23 provision or provisions of this Act apply retroactively to July  
24 1, 2011:  
25 1. The section of this Act amending 15E.120.  
26 2. The section of this Act amending 2011 Iowa Acts, chapter  
27 113, section 45.  
28 Sec. 145. RETROACTIVE APPLICABILITY. The provision in  
29 division I of this Act amending 2011 Iowa Acts, chapter 131,  
30 section 134, applies retroactively to the date which is 30 days  
31 after July 29, 2011.  
32 Sec. 146. RETROACTIVE APPLICABILITY. The provision in  
33 division I of this Act amending 2011 Iowa Acts, chapter 131,  
34 section 135, applies retroactively to July 29, 2011.

35 EXPLANATION

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1 This bill contains statutory corrections that adjust  
2 language to reflect current practices, insert earlier  
3 omissions, delete redundancies and inaccuracies, delete  
4 temporary language, resolve inconsistencies and conflicts,  
5 update ongoing provisions, or remove ambiguities. The Code  
6 sections amended include the following:

7 DIVISION I. Code sections 8.55 and 8.57: Strikes language,  
8 providing for appropriation of general fund surplus revenue  
9 to the senior living trust fund, pursuant to the terms of  
10 paragraph "d" of Code section 8.57 that provides for the  
11 repeal of the language when the aggregate amount in the trust  
12 fund equals \$300 million. The fund reached that milestone in  
13 2011. References to the rebuild Iowa infrastructure fund in  
14 renumbered subsection 5 of Code section 8.57 are also changed  
15 to distinguish references to that fund from references to other  
16 infrastructure funds in that subsection. Internal references  
17 to Code section 8.57 are also corrected in division II of this  
18 bill.

19 Code section 8A.317: Strikes references to definitions  
20 of "biobased material" and "biobased product" contained in  
21 former Code section 469.31 and inserts language from the former  
22 definitions provision into this Code section relating to state  
23 purchases of biobased products. Code chapter 469 was repealed  
24 by 2011 Iowa Acts, ch. 118, section 49, effective July 18,  
25 2011, and applicable on July 1, 2011.

26 Code section 11.2: Corrects a textual internal reference to  
27 auditor of state review requirements for investment companies,  
28 banks, savings and loan associations, or credit unions employed  
29 by the state board of regents.

30 Code section 11.5A: Adds the words "or examinations" to  
31 this provision governing the payment of costs of audits or  
32 examinations of state agencies by the auditor of state to  
33 conform with similar changes made elsewhere in Code chapter 11  
34 by 2011 Iowa Acts, ch. 75.

35 Code section 15.103: Repeals this Code section toward the

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1 end of the bill which establishes the Iowa economic development  
2 board of the former department of economic development. This  
3 provision was superseded by the enactment of Code section  
4 15.105 by 2011 Iowa Acts, ch. 118, section 5, which creates the  
5 economic development authority that replaces the department of  
6 economic development and is governed by a board of 11 voting  
7 members.

8 Code section 15.107: Strikes redundant language in a  
9 provision relating to the purpose for which the Iowa innovation  
10 corporation is established.

11 Code section 15.202: Strikes "with the approval of the  
12 director" within this provision relating to the acceptance of  
13 funds by the economic development authority to conform to the  
14 hierarchy established for the administration of the economic  
15 development programs and funds by the economic development  
16 authority by 2011 Iowa Acts, ch. 118.

17 Code section 15.272: Clarifies in language relating to the  
18 initial establishment of the statewide welcome center program  
19 that the former department of economic development was the  
20 entity responsible for program planning and development.

21 Code section 15.292: Replaces the word "board" with the word  
22 "authority" in language relating to the entity responsible for  
23 decisions relating to applications for financial assistance  
24 from the brownfield redevelopment fund because, after the  
25 enactment of 2011 Iowa Acts, ch. 118, what was once the "board"  
26 under prior law is now the "economic development authority".

27 Code section 15.293A: Strikes the words "and the board"  
28 and "with the approval of the board" from language relating  
29 to review of applications for redevelopment tax credits by  
30 the authority because, after the enactment of 2011 Iowa Acts,  
31 ch. 118, what was once the "board" under prior law is now the  
32 "economic development authority".

33 Code section 15.294: Replaces the word "board" with the  
34 word "authority" in language relating to the brownfield  
35 redevelopment advisory council because, after the enactment of

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1 2011 Iowa Acts, ch. 118, what was once the "board" under prior  
2 law is now the "economic development authority".

3 Code section 15.301: Adds references to the former  
4 department of economic development in the save our small  
5 businesses fund and program language in provisions which relate  
6 to activities which took place prior to the enactment of 2011  
7 Iowa Acts, ch. 118, which established the economic development  
8 authority.

9 Code section 15.331A: Clarifies that the department  
10 of revenue is the entity which is responsible for the  
11 administration of the refunding of sales or use tax imposed  
12 on gas, electricity, water or sewer utility services, goods,  
13 wares, or merchandise or on certain services rendered relating  
14 to the construction or equipping of a facility under the high  
15 quality jobs program.

16 Code section 15.411: Clarifies that it was the department  
17 of economic development that received reports on bioscience,  
18 advanced manufacturing, information technology, and  
19 entrepreneurship in calendar years 2004, 2005, and 2006 as part  
20 of the program for targeted industries development.

21 Code section 15E.64: Adds the word "board" in language  
22 relating to the incorporators of the Iowa capital investment  
23 corporation. 2011 Iowa Acts, ch. 118, provides, in the  
24 amendments to Code section 15.105, that the economic  
25 development authority is governed by a board.

26 Code section 15E.120: Substitutes, retroactive to July 1,  
27 2011, for the date "July 18, 2011", "July 1" of that year to  
28 reflect the retroactive applicability date for 2011 Iowa Acts,  
29 ch. 118, in this provision relating to the administration of  
30 loan repayments under the former Iowa community development  
31 loan program.

32 Code section 15E.193: Strikes redundant language that  
33 resulted from the application of directives by 2011 Iowa Acts,  
34 ch. 118, in this provision regarding benefits required in  
35 enterprise zones in order for a business to be eligible to

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1 receive economic development incentives.

2 Code section 15E.208: Adds references to the former  
3 department of economic development in this provision regarding  
4 Iowa agriculture industry finance loans in language which  
5 relates to activities which took place prior to the enactment  
6 of 2011 Iowa Acts, ch. 118, which established the economic  
7 development authority.

8 Code section 15E.351: Strikes the redundant words "economic  
9 development" from a reference to the "economic development  
10 authority" in this provision establishing the business  
11 accelerator program. The term "authority" is defined for  
12 Code chapter 15E, in Code section 15E.1, to mean the economic  
13 development authority.

14 Code sections 15G.111, 15G.112, 15G.113, and 15G.114:  
15 Strikes redundant references to approval or recommendations  
16 by the economic development authority that resulted from the  
17 application of directives by 2011 Iowa Acts, ch. 118, in these  
18 provisions regarding financial assistance awards made by the  
19 authority under the economic development financial assistance  
20 program.

21 Code section 15G.115: Strikes a redundant reference to the  
22 economic development authority and a reference to the former  
23 due diligence committee in this provision relating to financial  
24 assistance under the economic development financial assistance  
25 program. The due diligence committee was eliminated by 2011  
26 Iowa Acts, ch. 118, section 73.

27 Code section 15H.3: Adds the word "nonvoting" after a  
28 reference to the ex officio members in language regarding the  
29 membership of the volunteer service commission to conform to  
30 other references to those members in this Code section.

31 Code sections 28N.2 and 256I.3: Changes the word  
32 "departments" to "agencies" in these provisions establishing  
33 the membership of a state council and a state board to account  
34 for the replacement of the department of economic development  
35 by the economic development authority in 2011 Iowa Acts, ch.

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1 118.

2 Code sections 29C.20B, 135.141, 331.427, and 331.653:  
3 Deletes redundant language and conforms these provisions  
4 relating to disaster care management, comprehensive emergency  
5 plans, and local emergency management commissions to changes  
6 made by 2011 Acts, ch. 69, and 2011 Iowa Acts, ch. 129.

7 Code section 42.4: Replaces, retroactively to January  
8 1, 2011, the word "first" with the word "third" in language  
9 describing the date on which an incumbent senator, who resigns  
10 for purposes of allowing another senator to serve a full  
11 four-year term, must submit the senator's resignation to  
12 reflect language appearing later in this same provision and  
13 to conform to the date specified for resignation of incumbent  
14 senators under these circumstances in 2011 Iowa Acts, ch. 76,  
15 section 3.

16 Code section 46.2A: Strikes the obsolete subsection  
17 that requires the repeal of the subsection if the number of  
18 congressional districts established following the 2010 federal  
19 decennial census and described in chapter 40 of the Code is not  
20 equal to four.

21 Code sections 123.135, 123.180, 252B.9, 507B.7, 523C.13,  
22 and 631.17: Conforms language relating to civil sanctions  
23 imposed by the court or administrative agencies, by striking  
24 the word "fine" or "fines" and inserting the word "penalty" or  
25 "penalties", to other references to civil penalties throughout  
26 the Code.

27 Code section 125.2: Adds the word "mental" within language  
28 describing the type of certification that a psychiatric  
29 advanced registered nurse practitioner must possess in the Code  
30 chapter relating to treatment of substance abusers to conform  
31 to changes made by 2011 Iowa Acts, ch. 121, section 52, to the  
32 same definition within the Code chapter on civil commitment.  
33 This portion of 2011 Iowa Acts, ch. 121, is effective July 1,  
34 2012.

35 Code section 125.10: Changes references to "substance

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1 abuse" to "substance misuse" to conform to changes made in this  
2 Code section, effective July 1, 2012, by 2011 Iowa Acts, ch.  
3 121, section 30.

4 Code sections 125.43A and 125.83: Changes "substance abuse  
5 treatment" to "treatment of a substance-related disorder" in  
6 these two provisions relating to involuntary hospitalizations  
7 of persons with substance misuse disorders to conform to  
8 similar terminology changes made by 2011 Iowa Acts, ch. 121,  
9 effective July 1, 2012.

10 Code section 125.91: Changes references from "examining"  
11 physician to "attending" physician and restores a reference  
12 to "the facility" in language relating to emergency  
13 hospitalization of persons with substance misuse disorders to  
14 conform to and clarify changes made in this Code section by  
15 2011 Iowa Acts, ch. 121, effective July 1, 2012.

16 Code section 135.160: Repeals, toward the end of the bill,  
17 this definitional section for the division of Code chapter 135  
18 that pertained to prevention and chronic care management. The  
19 other Code sections in the division, to which the definitions  
20 pertained, were repealed by 2011 Iowa Acts, ch. 129, sections  
21 81 and 82 and 2011 Iowa Acts, ch. 63, section 35.

22 Code section 142A.3: Strikes tobacco retailers from the  
23 membership of an advisory council to the commission on tobacco  
24 use prevention and control to conform to changes made in Code  
25 chapter 142A by 2011 Iowa Acts, ch. 63.

26 Code section 152.12: Changes the word "county" to "country"  
27 to correct an apparent typographical error in language relating  
28 to disclosure of nursing licensure examination results to other  
29 nurse licensing entities at the state or national level.

30 Code section 173.11: Redrafts language relating to  
31 administration of the state fair foundation fund by the  
32 treasurer of the Iowa state fair foundation to clarify that the  
33 state fair board is acting as the board of the foundation.

34 Code section 226.9C: Strikes a redundant instance of the  
35 word "certified" in language added, effective July 1, 2012,

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1 by 2011 Iowa Acts, ch. 121, to describe the qualifications  
2 of persons conducting treatment prescreening of persons with  
3 substance misuse disorders.

4 Code section 230A.106: Replaces the word "such" with a  
5 listing of types of services that comprise one of the groups of  
6 core services that must be provided at community mental health  
7 centers, to be consistent with the style and format of the rest  
8 of the Code section, effective July 1, 2012.

9 Code section 232.103: Clarifies the relationship between a  
10 reference to Code section 232.50, which governs dispositional  
11 hearings for juvenile delinquents or youthful offenders, to  
12 this provision relating to hearings regarding changes in level  
13 of care for a child who is subject to a dispositional order for  
14 out-of-home placement.

15 Code sections 236.18 and 331.756: Redirects references  
16 to criminal penalties under Code chapter 236 to refer to the  
17 provisions within Code chapter 664A to conform to the transfer  
18 of the criminal penalties from Code chapter 236 to Code chapter  
19 664A by 2006 Iowa Acts, ch. 1101.

20 Code section 249H.3: Substitutes, for an internal reference  
21 in this definition, the language used in Code section 225B.2 to  
22 define "disability". Code chapter 225B is to be repealed on  
23 July 1, 2012, pursuant to Code section 225B.8.

24 Code section 256.32: Strikes from the ex officio membership  
25 of the advisory council for agricultural education language  
26 referring to the young farmer educational association  
27 president. The association is a national organization and  
28 there are no Iowa chapters or members who could possibly serve  
29 on the council.

30 Code section 256I.5: Rewrites language relating to the  
31 commitment of various state entities, in a reference back to  
32 entities enumerated in this provision relating to collaboration  
33 and integration of a comprehensive early care, education,  
34 health, and human services system, to accommodate a changeover  
35 in the entity responsible for the administration of economic

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1 development programs made by 2011 Iowa Acts, ch. 118.  
2 Code section 260C.18A: Strikes this paragraph which  
3 references job retention projects under former Code section  
4 260F.9, which was repealed effective June 30, 2010, pursuant to  
5 2003 Iowa Acts, 1st extraordinary session, ch. 2, section 93.  
6 Code section 261E.8: Replaces the term "eligible  
7 postsecondary institution" with the term "community college"  
8 in this Code chapter relating to enrollment of students from  
9 a school district, accredited nonpublic schools, and students  
10 receiving competent private instruction in community college  
11 programs for concurrent high school and college credit under  
12 the senior year plus program.  
13 Code section 267A.2: Changes the word "section" to  
14 "chapter" in the lead-in phrase to the definitions section for  
15 the local food and farm program Code chapter.  
16 Code sections 282.1 and 282.10: Clarifies an internal  
17 reference to Code section 282.7 in these provisions relating  
18 to student attendance and whole grade sharing between school  
19 districts.  
20 Code section 282.18: Changes the term "laboratory school"  
21 to "research and development school" in language relating to  
22 open enrollment of students from public school districts to  
23 the Price laboratory school to reflect the terminology used to  
24 refer to the school under Code chapter 256G, which governs the  
25 development and funding of that school.  
26 Code sections 306D.2 and 465A.2: Replaces references to  
27 the economic development authority with references to the  
28 former department of economic development in these provisions  
29 regarding Iowa's open space plans in language which relates  
30 to activities which took place prior to the enactment of 2011  
31 Iowa Acts, ch. 118, which established the economic development  
32 authority.  
33 Code section 321.18: Strikes subsection 9, effective on  
34 June 30, 2012, or when Code chapter 322E is repealed, whichever  
35 is later, which provides an exemption to motor vehicle

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1 registration provision to motor homes purchased at a motor home  
2 manufacturer's club rally by a nonresident and which is driven  
3 on a highway solely for the purpose of removing the motor home  
4 from the state. Code chapter 322E is currently scheduled for  
5 repeal on June 30, 2012.

6 Code section 321.180B: Adds the word "a" within a series to  
7 conform to other similar language in a provision enumerating  
8 the list of persons who can accompany a person under the age  
9 of 18 who has not yet been issued a full driver's license but  
10 has been issued a permit or other intermediate license and is  
11 lawfully operating a motor vehicle.

12 Code section 321.186: Strikes language relating to  
13 applicants for a commercial driver's license from an exemption  
14 permitting a license applicant to file a vision report in  
15 lieu of passing a vision text administered by the department  
16 of transportation to conform to changes made to Code section  
17 321.186A by 2011 Iowa Acts, ch. 38.

18 Code section 419.4: Renumbers and adds an internal  
19 reference to language relating to municipal bonding authority.

20 Code section 422.5: Corrects an internal reference to  
21 computations of tax upon married persons' income in language  
22 relating to computation of the alternative minimum tax.

23 Code section 422.7: Strikes, within the list of items to be  
24 subtracted from adjusted gross income in the computation of net  
25 income, a reference to a Vietnam Conflict veterans' bonus under  
26 Code section 35A.8A, which was repealed June 30, 2011, pursuant  
27 to the terms of the statute.

28 Code section 422.11S: Strikes contingency language from a  
29 definition of the term "total approved tax credits" within this  
30 provision relating to school tuition organization tax credits  
31 because the amendment to Code section 257.8 that is referenced  
32 in the contingency language was enacted in 2011 Iowa Acts, ch.  
33 131, sections 122 and 123.

34 Code sections 422.11T and 422.11U: Changes "credit" to  
35 "credits" in language relating to reduction of income tax by

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1 the tax credits allow under Code section 422.12 to conform to  
2 similar language in surrounding provisions and because Code  
3 section 422.12 provides for more than one tax credit.

4 Code section 437A.14: Adds the words "of revenue" after  
5 references to "department" in language relating to refunding  
6 of replacement taxes on electricity and natural gas providers.  
7 While the term "director" is defined within Code chapter 437A  
8 to mean the director of revenue, the term "department" is not  
9 defined.

10 Code section 445.5: Changes the word "of" to "for", in  
11 language relating to receipts for payments of property taxes  
12 which are paid in part or in full for the given year, to clarify  
13 the relationship between the receipt and the payment of the  
14 amount.

15 Code section 452A.3: Renumbers to eliminate unnumbered  
16 paragraphs within this provision relating to payment of tax on  
17 motor and special fuels.

18 Code section 455B.487: Reorganizes and renumbers to  
19 eliminate unnumbered paragraphs in this provision relating to  
20 criteria established by the environmental protection commission  
21 for identification of land suitable for the operation of  
22 radioactive waste facilities.

23 Code section 459.501: Replaces, in subsection 5, paragraph  
24 "b", the word "allocated" with the words "authorized for  
25 payment" to conform to the changes made relating to the  
26 authorizations for payment made by the executive council  
27 pursuant to paragraph "a" of the same subsection by 2011 Iowa  
28 Acts, ch. 131, section 35.

29 Code section 459.502: Clarifies that the fund in which the  
30 department is to deposit indemnity fee moneys assessed on the  
31 construction of confinement feeding operations is the livestock  
32 remediation fund. The term "fund" is not defined for Code  
33 chapter 459.

34 Code section 461A.80: Reorganizes and renumbers to  
35 eliminate unnumbered paragraphs in this provision relating to

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1 the public outdoor recreation and resources appropriations  
2 advisory council.

3 Code section 462A.2: Moves language relating to vessels  
4 which are under way to clarify that the language applies to  
5 sailboats that are not powered by a motor, but which do have  
6 sails hoisted, in this definition of the term "operate".

7 Code section 466B.3: Strikes language including the  
8 director of the rebuild Iowa office from the membership of the  
9 water resources coordinating council. The rebuild Iowa office  
10 was repealed on June 30, 2011, pursuant to 2009 Iowa Acts, ch.  
11 169, section 10.

12 Code section 468.221: Changes a textual reference from  
13 "paragraph" to "section" in a definition of the term "local  
14 government" because the term is used elsewhere in this Code  
15 section relating to drainage district communications with a  
16 state agency or with local government.

17 Code section 473.1: Strikes, in two definitions in this  
18 Code chapter relating to energy development and conservation,  
19 references to definitions of terms from former Code section  
20 469.31 which was repealed by 2011 Iowa Acts, ch. 118, section  
21 49, and adds the text of the same definitions from that former  
22 Code section.

23 Code section 473.7: Strikes, as redundant, the words "The  
24 authority shall" from subsection 2 to conform to the style of  
25 this Code section relating to duties of the authority under the  
26 energy development and conservation Code chapter.

27 Code section 473.10: Replaces a reference to the director  
28 with a reference to the economic development authority in  
29 language relating to rulemaking authority. The economic  
30 development authority is the entity made responsible for  
31 rulemaking under 2011 Iowa Acts, ch. 118.

32 Code section 476.1C: Restructures, by renumbering to  
33 eliminate unanchored unnumbered paragraphs and by striking  
34 redundant language, in this provision relating to gas public  
35 utilities with fewer than 2,000 customers.

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1 Code section 476C.4: Adds, within a subparagraph, the  
2 word "equity" before references to holders of interests in  
3 business entities which have applied for renewable electricity  
4 production tax credits to conform to language contained in the  
5 immediately preceding subparagraph of subsection 2 of this Code  
6 section.

7 Code section 483A.24: Conforms terminology and corrects an  
8 internal reference to clarify the applicability of an exclusion  
9 from the exception in the definition of "owner" of a farm unit  
10 under this Code section governing when a hunting, fishing, or  
11 trapping license is not required before a person may engage in  
12 those activities.

13 Code section 496B.12: Renumbers and conforms the internal  
14 numbering and format of this Code section pertaining to  
15 economic development corporations to the numbering and format  
16 of other Code sections.

17 Code section 501A.504: Restructures language in subsection  
18 4 relating to the filing of amendments to articles of  
19 organization of a cooperative to highlight the alternative  
20 nature of the adoption methods by members and directors and  
21 conforms language relating to the adoption of an amendment by  
22 directors to the requirements for amendments by directors that  
23 is specified in subsection 3 of this Code section.

24 Code section 509.3: Strikes language referring to  
25 applications for converted policies under Code chapter 509B  
26 from a provision that describes one of the required components  
27 of a group accident or health insurance policy or combination  
28 group accident or health insurance policy. Code section  
29 509B.4, which provided for the conversion of group policies was  
30 repealed by 2006 Iowa Acts, ch. 1117, section 127.

31 Code section 514J.108: Adds the words "the covered person"  
32 to language describing one of the instances in which a covered  
33 person or a covered person's authorized representative may make  
34 a request for an expedited external review of a health care  
35 cover decision, to conform to other language within the same

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1 Code section.

2 Code section 515C.2: Corrects an internal reference to  
3 the Code section establishing surplus requirements required  
4 of mortgage guaranty insurers. Former subsection 8 of Code  
5 section 515.49 was stricken when the Code section was rewritten  
6 by 1988 Iowa Acts, ch. 1112, section 403.

7 Code section 524.904: Adds the word "state" before the word  
8 "bank" in multiple locations to conform to other text within  
9 this provision relating to loans and extensions of credit by a  
10 state bank to a borrower.

11 Code section 568.16: Changes the word "by" to the word  
12 "to" in language relating to the refunding of moneys by the  
13 state back to grantees of land conveyed by the state, when  
14 the grantee or the grantee's heirs or assigns did not receive  
15 title to the land conveyed because title resided in some other  
16 person.

17 Code section 602.9202: Conforms language relating to the  
18 length of the terms that may be served by senior judges who  
19 have reached the age of 78 to changes made to Code section  
20 602.9203 by 2011 Iowa Acts, ch. 78.

21 Code section 633.3: Adds the words "and state" in a  
22 provision defining what is included within the costs of  
23 administration of an estate to clarify that interest on state  
24 estate tax as well as federal estate tax are included. This  
25 conforms with changes made by 2010 Iowa Acts, ch. 1138, and  
26 2011 Iowa Acts, ch. 34.

27 Code section 633A.3106: Deletes a redundant phrase in  
28 this provision relating to children born or adopted after the  
29 execution of a revocable trust.

30 Code section 655A.3: Conforms the language that describes  
31 the manner of service of a notice of rejection of a notice of  
32 foreclosure to reflect the changes made to Code section 655A.4  
33 by 2009 Iowa Acts, ch. 51. That Act changed the manner of  
34 service of a notice of rejection under Code section 655A.4 from  
35 service in the manner provided for service of original notices

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1 to service by ordinary or electronic mail.

2 Code section 692A.118: Strikes language in two subsections  
3 within this Code section establishing the duties of the  
4 department of public safety regarding the sex offender registry  
5 to conform to the style of other subsections.

6 Code section 714.27: Changes "the identity of" to  
7 "identifying information for" to conform to the nature of the  
8 descriptive list of the types of information that a salvage  
9 dealer must maintain under a copper theft ordinance regarding a  
10 person who brings in salvaged materials.

11 Code sections 717F.1 and 717F.8: Strikes subparagraph (9)  
12 of subsection 5, paragraph "a", which is a duplicate of the  
13 language found in subparagraph (10), subparagraph division (a),  
14 in Code section 717F.1, and corrects a typographical error in  
15 the spelling of the family name of certain types of snakes in  
16 language enumerating the types of animals considered to be  
17 dangerous wild animals in Code sections 717F.1 and 717F.8.

18 Code section 805.8A: Corrects an internal reference to  
19 the provisions within a Code section relating to registration  
20 of motor carriers that contain language prohibiting certain  
21 conduct. Subsection 2 relates to state department of  
22 transportation participation in the federal unified carrier  
23 registration plan and agreement for regulated motor carriers.

24 Code section 811.1: Changes two commas to semicolons and  
25 strikes a redundant "or" in language to conform the punctuation  
26 and format of the series that describes the types of felonies  
27 and public offenses for which a defendant, awaiting judgment of  
28 conviction and sentencing after a plea or verdict of guilty,  
29 shall not be admitted to bail.

30 Code section 907.5: Enumerates the criteria the court must  
31 consider before deferring judgment or sentence or suspending  
32 a defendant's sentence as lettered paragraphs and numbers  
33 the balance of the provision to enhance readability of the  
34 provision.

35 2011 Iowa Acts, chapter 113, section 45: Corrects



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1 retroactively to July 1, 2011, by striking and replacing this  
2 section of 2011 Iowa Acts, ch. 113, numeric references to two  
3 subchapters in Code chapter 159A, that according to the text  
4 of the language, should refer to the provisions administered  
5 by the office of renewable fuels and coproducts and provisions  
6 establishing the renewable fuel infrastructure programs and  
7 fund.

8 2011 Iowa Acts, chapter 131, sections 134 and 135: Corrects  
9 incorrect references within an Act to provisions within another  
10 Act. The first correction takes effect upon enactment and  
11 applies retroactively to the date which is 30 days after July  
12 29, 2011. The second correction takes effect upon enactment  
13 and applies retroactively to July 29, 2011.





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**House File 2327 - Introduced**

HOUSE FILE 2327  
BY COMMITTEE ON JUDICIARY  
  
(SUCCESSOR TO HSB 613)

**A BILL FOR**

1 An Act relating to notice of mortgage mediation assistance.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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rh/sc



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1 Section 1. Section 654.4B, subsection 2, paragraph b, Code  
2 Supplement 2011, is amended to read as follows:

3 b. This subsection is repealed July 1, ~~2012~~ 2013.

4 EXPLANATION

5 This bill extends to July 1, 2013, the requirement that  
6 creditors provide notice of the availability of counseling and  
7 mediation services to homeowners facing foreclosure.



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**House File 2328 - Introduced**

HOUSE FILE 2328  
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HSB 606)

(COMPANION TO SF 2203)

**A BILL FOR**

1 An Act relating to nonsubstantive Code corrections and  
2 including effective date provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5517HV (2) 84  
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DIVISION I

NONSUBSTANTIVE CHANGES

1  
2  
3 Section 1. Section 6B.14, subsection 2, Code 2011, is  
4 amended to read as follows:

5 2. Prior to the meeting of the commission, the commission  
6 or a commissioner shall not communicate with the applicant,  
7 property owner, or tenant, or their agents, regarding the  
8 condemnation proceedings. The commissioners shall meet in  
9 open session to view the property and to receive evidence, but  
10 may deliberate in closed session. When deliberating in closed  
11 session, the meeting is closed to all persons who are not  
12 commissioners except for personnel from the sheriff's office  
13 if such personnel ~~is~~ are requested by the commission. After  
14 deliberations commence, the commission and each commissioner is  
15 prohibited from communicating with any party to the proceeding.  
16 However, if the commission is deliberating in closed session,  
17 and after deliberations commence the commission requires  
18 further information from a party or a witness, the commission  
19 shall notify the property owner and the acquiring agency that  
20 they are allowed to attend the meeting at which such additional  
21 information shall be provided but only for that period of time  
22 during which the additional information is being provided.  
23 The property owner and the acquiring agency shall be given a  
24 reasonable opportunity to attend the meeting. The commission  
25 shall keep minutes of all its meetings showing the date, time,  
26 and place, the members present, and the action taken at each  
27 meeting. The minutes shall show the results of each vote taken  
28 and information sufficient to indicate the vote of each member  
29 present. The vote of each member present shall be made public  
30 at the open session. The minutes shall be public records open  
31 to public inspection.

32 Sec. 2. Section 8F.2, subsection 8, paragraph b,  
33 subparagraph (8), Code 2011, is amended to read as follows:

34 (8) A contract for services provided from resources made  
35 available under ~~Title~~ Tit. XVIII, XIX, or XXI of the federal

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1 Social Security Act.

2 Sec. 3. Section 10B.4, subsection 2, paragraph g, Code  
3 Supplement 2011, is amended to read as follows:

4 g. If the reporting entity is a life science enterprise, as  
5 provided in chapter 10C, Code 2011, as that chapter exists on  
6 or before June 30, 2005, the total amount of commercial sale  
7 of life science products and products other than life science  
8 products which are produced from the agricultural land held by  
9 the life science enterprise.

10 Sec. 4. Section 12.87, subsection 1, paragraph a, Code  
11 Supplement 2011, is amended to read as follows:

12 a. The treasurer of state is authorized to issue and sell  
13 bonds on behalf of the state to provide funds for certain  
14 infrastructure projects and for purposes of the Iowa jobs  
15 program established in section 16.194. The treasurer of state  
16 shall have all of the powers which are necessary or convenient  
17 to issue, sell, and secure bonds and carry out the treasurer of  
18 state's duties, and exercise the treasurer of state's authority  
19 under this section and sections 12.88 through 12.90. The  
20 treasurer of state may issue and sell bonds in such amounts as  
21 the treasurer of state determines to be necessary to provide  
22 sufficient funds for certain infrastructure projects and the  
23 revenue bonds capitals fund, the revenue bonds capitals II  
24 fund, the payment of interest on the bonds, the establishment  
25 of reserves to secure the bonds, the payment of costs of  
26 issuance of the bonds, the payment of other expenditures of  
27 the treasurer of state incident to and necessary or convenient  
28 to carry out the issuance and sale of the bonds, and the  
29 payment of all other expenditures of the treasurer of state  
30 necessary or convenient to administer the funds and to carry  
31 out the purposes for which the bonds are issued and sold. The  
32 treasurer of state may issue and sell bonds as provided in  
33 paragraph "b" in one or more series on the terms and conditions  
34 the treasurer of state determines to be in the best interest of  
35 the state, in accordance with this section in such amounts as

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1 the treasurer of state determines to be necessary to fund the  
2 purposes for which such bonds are issued and sold ~~as follows~~.

3 Sec. 5. Section 15.104, subsection 3, unnumbered paragraph  
4 1, Code Supplement 2011, is amended to read as follows:

5 Review and approve or disapprove a life science enterprise  
6 plan or amendments to that plan as provided in chapter 10C,  
7 Code 2011, and according to rules adopted by the board. A  
8 life science plan shall make a reasonable effort to provide  
9 for participation by persons who are individuals or family  
10 farm entities actively engaged in farming as defined in  
11 section 10.1. The persons may participate in the life science  
12 enterprise by holding an equity position in the life science  
13 enterprise or providing goods or service to the enterprise  
14 under contract. The plan must be filed with the board not  
15 later than June 30, 2005. The life science enterprise may file  
16 an amendment to a plan at any time. A life science enterprise  
17 is not eligible to file a plan, unless the life science  
18 enterprise files a notice with the board. The notice shall be  
19 a simple statement indicating that the life science enterprise  
20 may file a plan as provided in this section. The notice must be  
21 filed with the board not later than June 1, 2005. The notice,  
22 plan, or amendments shall be submitted by a life science  
23 enterprise as provided by the board. The board shall consult  
24 with the department of agriculture and land stewardship during  
25 its review of a life science plan or amendments to that plan.  
26 The plan shall include information regarding the life science  
27 enterprise as required by rules adopted by the board, including  
28 but not limited to all of the following:

29 Sec. 6. Section 15.117A, subsection 6, paragraph b, Code  
30 Supplement 2011, is amended to read as follows:

31 b. Review annually all of the economic development programs  
32 administered by the authority and the board that relate to the  
33 targeted industries and make recommendations for adjustments  
34 that enhance efficiency and effectiveness. In reviewing the  
35 programs, the council shall, to the greatest extent possible,

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1 utilize economic development data and research in order to make  
2 objective, fact-based recommendations.

3 Sec. 7. Section 15.247, subsection 8, paragraphs c and d,  
4 Code Supplement 2011, are amended to read as follows:

5 c. A person within the third degree of consanguinity of an  
6 employee of the authority, a person within the third degree  
7 of consanguinity of a member of the targeted small business  
8 financial assistance board or member's relative, or a business  
9 with any financial ties to a member shall not be eligible for  
10 financial assistance under the program during the employee's  
11 employment or the member's tenure on the board, as applicable.

12 d. Members shall serve ~~two-year~~ two-year terms and may be  
13 reappointed. A member shall not serve more than two terms.

14 ~~d.~~ e. The targeted small business financial assistance  
15 board shall consider all applications for financial assistance  
16 under the program submitted on or after July 1, 2007.

17 Sec. 8. Section 15A.9, subsection 1, paragraph b, Code  
18 Supplement 2011, is amended to read as follows:

19 b. (1) In order to assist a community or communities  
20 located within the state to secure new industrial manufacturing  
21 jobs, the state of Iowa makes economic development assistance  
22 available within the zone or zones, and the department of  
23 economic development shall designate a site or sites, which  
24 shall not be larger than two thousand five hundred acres,  
25 within thirty days of March 4, 1994, as a quality jobs  
26 enterprise zone or zones for the purpose of attracting a  
27 primary business and supporting businesses to locate facilities  
28 within the state.

29 (2) The primary business or a supporting business shall not  
30 be prohibited from participating in or receiving other economic  
31 development programs or services or electing to utilize other  
32 tax provisions to the extent authorized elsewhere by law.

33 Sec. 9. Section 34A.15, subsection 1, paragraphs c, e, and  
34 h, Code Supplement 2011, are amended to read as follows:

35 c. One person appointed by the Iowa ~~association of chiefs of~~

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1 ~~police and peace officers association.~~

2 e. One person appointed by the Iowa ~~association of~~  
3 professional fire fighters.

4 h. One person appointed by the Iowa chapter of the  
5 association of ~~public safety~~ public-safety communications  
6 officials-international, inc.

7 Sec. 10. Section 80B.11A, Code 2011, is amended to read as  
8 follows:

9 **80B.11A Jailer training standards.**

10 The director of the academy, subject to the approval of  
11 the council, and in consultation with the Iowa department of  
12 corrections, Iowa state sheriffs' and deputies' association,  
13 and the Iowa ~~association of chiefs of police and peace officers~~  
14 association, shall adopt rules in accordance with this chapter  
15 and chapter 17A establishing minimum standards for training of  
16 jailers.

17 Sec. 11. Section 80B.11C, Code 2011, is amended to read as  
18 follows:

19 **80B.11C Telecommunicator training standards.**

20 The director of the academy, subject to the approval of  
21 the council, in consultation with the Iowa state sheriffs'  
22 and deputies' association, the Iowa police executive forum,  
23 the Iowa ~~association of chiefs of police and peace officers~~  
24 association, the Iowa state police association, the Iowa  
25 ~~association of~~ professional fire fighters, the Iowa emergency  
26 medical services association, the joint council of Iowa  
27 fire service organizations, the Iowa department of public  
28 safety, the Iowa chapter of the association of ~~public safety~~  
29 public-safety communications officials-international, inc., the  
30 Iowa chapter of the national emergency number association, the  
31 homeland security and emergency management division of the Iowa  
32 department of public defense, and the Iowa department of public  
33 health, shall adopt rules pursuant to chapter 17A establishing  
34 minimum standards for training of telecommunicators. For  
35 purposes of this section, "telecommunicator" means a person who

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1 receives requests for, or dispatches requests to, emergency  
2 response agencies which include, but are not limited to, law  
3 enforcement, fire, rescue, and emergency medical services  
4 agencies.

5 Sec. 12. Section 80E.2, subsection 1, paragraph m, Code  
6 2011, is amended to read as follows:

7 m. A member representing the Iowa ~~association of chiefs of~~  
8 ~~police and peace officers~~ association.

9 Sec. 13. Section 80E.2, subsection 2, Code 2011, is amended  
10 to read as follows:

11 2. The prosecuting attorney, licensed substance abuse  
12 treatment specialist, certified substance abuse prevention  
13 specialist, substance abuse treatment program director, member  
14 representing the Iowa ~~association of chiefs of police and~~  
15 ~~peace officers~~ association, member representing the Iowa state  
16 police association, and the member representing the Iowa state  
17 sheriffs' and deputies' association shall be appointed by the  
18 governor, subject to senate confirmation, for four-year terms  
19 beginning and ending as provided in section 69.19. A vacancy  
20 on the council shall be filled for the unexpired term in the  
21 same manner as the original appointment was made.

22 Sec. 14. Section 96.21, Code 2011, is amended to read as  
23 follows:

24 **96.21 Termination.**

25 If at any time ~~Title~~ Tit. IX of the Social Security Act,  
26 as amended, shall be amended or repealed by Congress or held  
27 unconstitutional by the supreme court of the United States,  
28 with the result that no portion of the contributions required  
29 under this chapter may be credited against the tax imposed  
30 by said ~~Title~~ Tit. IX, in any such event the operation of  
31 the provisions of this chapter requiring the payment of  
32 contributions and benefits shall immediately cease, the  
33 department shall thereupon requisition from the unemployment  
34 trust fund all moneys therein standing to its credit, and such  
35 moneys, together with any other moneys in the unemployment



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1 compensation fund shall be refunded, without interest and under  
2 regulations prescribed by the department, to each employer  
3 by whom contributions have been paid, proportionately to the  
4 employer's pro rata share of the total contributions paid under  
5 this chapter. Any interest or earnings of the fund shall be  
6 available to the department to pay for the costs of making such  
7 refunds. When the department shall have executed the duties  
8 prescribed in this section and performed such other acts as are  
9 incidental to the termination of its duties under this chapter,  
10 the provisions of this chapter, in their entirety, shall cease  
11 to be operative.

12 Sec. 15. Section 96.27, Code 2011, is amended to read as  
13 follows:

14 **96.27 Approval of attorney general.**

15 An agreement made for the purchase or other acquisition of  
16 the premises mentioned in section 96.25 ~~of this section~~ with  
17 funds granted or credited to this state for such purpose under  
18 the Social Security Act or the Wagner-Peyser Act shall be  
19 subject to the approval of the attorney general of the state of  
20 Iowa as to form and as to title thereto.

21 Sec. 16. Section 97C.5, Code 2011, is amended to read as  
22 follows:

23 **97C.5 Tax on employees.**

24 Every employee whose services are covered by an agreement  
25 entered into under section 97C.3 shall be required to pay  
26 for the period of such coverage into the contribution fund  
27 established by section 97C.12, a tax which is hereby imposed  
28 with respect to wages received during the calendar year of  
29 1953, equal to such percentum of the wages received by the  
30 employee as imposed by Social Security Act, Title Tit. II,  
31 as such Act has been and may from time to time be amended.  
32 Such payment shall be considered a condition of employment  
33 as a public employee. Taxes deducted from the wages of the  
34 employee by the employer and taxes imposed upon the employer  
35 shall be forwarded to the state agency for recording and shall

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1 be deposited with the treasurer of state to the credit of  
2 the contribution fund established by section 97C.12 of this  
3 chapter.

4 Sec. 17. Section 97C.10, Code 2011, is amended to read as  
5 follows:

6 **97C.10 Tax on employer.**

7 In addition to all other taxes there is hereby imposed upon  
8 each employer as defined in section 97C.2, subsection 2, a  
9 tax equal to such percentum of the wages paid by the employer  
10 to each employee as imposed by the Social Security Act, ~~Title~~  
11 Tit. II, as such Act has been and may from time to time be  
12 amended. The employer shall pay its tax or contribution from  
13 funds available and is directed to pay same from tax money or  
14 from any other income available. The political subdivision is  
15 hereby authorized and directed to levy in addition to all other  
16 taxes a property tax sufficient to meet its obligations under  
17 the provisions of this chapter, if such tax levy is necessary  
18 because other funds are not available.

19 Sec. 18. Section 97C.15, Code 2011, is amended to read as  
20 follows:

21 **97C.15 Payments to secretary of treasury.**

22 From the contribution fund the custodian of the fund shall  
23 pay to the secretary of the treasury of the United States such  
24 amounts and at such time or times as may be directed by the  
25 state agency in accordance with any agreement entered into  
26 under section 97C.3 and the Social Security Act, ~~Title~~ Tit. II.

27 Sec. 19. Section 99D.11, subsections 2 and 3, Code  
28 Supplement 2011, are amended to read as follows:

29 2. Licensees shall only permit the pari-mutuel or  
30 certificate method of wagering, or the ~~advanced~~ advance deposit  
31 method of wagering, as defined in this section.

32 3. The licensee may receive wagers of money only from a  
33 person present in a licensed racetrack enclosure on a horse  
34 or dog in the race selected by the person making the wager to  
35 finish first in the race or from a person engaging in ~~advanced~~

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1 advance deposit wagering as defined in this section. The  
2 person wagering shall acquire an interest in the total money  
3 wagered on all horses or dogs in the race as first winners in  
4 proportion to the amount of money wagered by the person.

5 Sec. 20. Section 99D.11, subsection 6, paragraph c, Code  
6 Supplement 2011, is amended to read as follows:

7 c. (1) The commission shall authorize the licensee of the  
8 horse racetrack located in Polk county to conduct ~~advanced~~  
9 advance deposit wagering. An ~~advanced~~ advance deposit wager  
10 may be placed in person at a licensed racetrack enclosure, or  
11 from any other location via a telephone-type device or any  
12 other electronic means. The commission may also issue an  
13 ~~advanced~~ advance deposit wagering operator license to an entity  
14 who complies with subparagraph (3) and section 99D.8A.

15 (2) For the purposes of this section, ~~"advanced deposit~~  
16 ~~wagering"~~ "advance deposit wagering" means a method of  
17 pari-mutuel wagering in which an individual may establish  
18 an account, deposit money into the account, and use the  
19 account balance to pay for pari-mutuel wagering. Of the net  
20 revenue, less all taxes paid and expenses directly related to  
21 account deposit wagering incurred by the licensee of the horse  
22 racetrack located in Polk county, received through ~~advanced~~  
23 advance deposit wagering, fifty percent shall be designated for  
24 the horse purses created pursuant to section 99D.7, subsection  
25 5, and fifty percent shall be designated for the licensee for  
26 the pari-mutuel horse racetrack located in Polk county.

27 (3) Before granting an ~~advanced~~ advance deposit wagering  
28 operator license to an entity other than the licensee of  
29 the horse racetrack located in Polk county, the commission  
30 shall enter into an agreement with the licensee of the  
31 horse racetrack located in Polk county, the Iowa horsemen's  
32 benevolent and protective association, and the prospective  
33 ~~advanced~~ advance deposit wagering operator for the purpose  
34 of determining the payment of statewide source market fees  
35 and the host fees to be paid on all races subject to ~~advanced~~

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1 advance deposit wagering. The commission shall establish the  
2 term of such an ~~advanced~~ advance deposit wagering operator  
3 license. Such an ~~advanced~~ advance deposit wagering operator  
4 licensee shall accept wagers on live races conducted at the  
5 horse racetrack in Polk county from all of its account holders  
6 if it accepts wagers from any residents of this state.

7 (4) An unlicensed ~~advanced~~ advance deposit wagering  
8 operator or an individual taking or receiving wagers from  
9 residents of this state on races conducted at the horse  
10 racetrack located in Polk county is guilty of a class "D"  
11 felony.

12 (5) For the purposes of this paragraph "~~c~~", "~~advanced~~  
13 ~~deposit wagering operator~~" "advance deposit wagering operator"  
14 means an ~~advanced~~ advance deposit wagering operator licensed  
15 by the commission who has entered into an agreement with the  
16 licensee of the horse racetrack in Polk county and the Iowa  
17 horsemen's benevolent and protective association to provide  
18 ~~advanced~~ advance deposit wagering.

19 Sec. 21. Section 100B.1, subsection 1, paragraph a,  
20 subparagraph (1), subparagraph division (c), Code Supplement  
21 2011, is amended to read as follows:

22 (c) Two members from a list submitted by the Iowa  
23 ~~association of~~ professional fire fighters.

24 Sec. 22. Section 105.2, subsection 8, Code Supplement 2011,  
25 is amended to read as follows:

26 8. "~~Hydronic~~" means a heating or cooling system that  
27 transfers heating or cooling by circulating fluid through  
28 a closed system, including boilers, pressure vessels,  
29 ~~refrigerated~~ refrigeration equipment in connection with chilled  
30 water systems, all steam piping, hot or chilled water piping  
31 together with all control devices and accessories, installed as  
32 part of, or in connection with, any heating or cooling system  
33 or appliance using a liquid, water, or steam as the heating  
34 or cooling media. "~~Hydronic~~" includes all low-pressure and  
35 high-pressure systems and all natural, propane, liquid propane,

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1 or other gas lines associated with any component of a hydronic  
2 system.

3 Sec. 23. Section 124.401, subsection 4, paragraph e, Code  
4 Supplement 2011, is amended to read as follows:

5 e. Red ~~phosphorous~~ phosphorus.

6 Sec. 24. Section 135.105, subsection 1, Code 2011, is  
7 amended to read as follows:

8 1. Coordinate the childhood lead poisoning prevention  
9 program with the department of natural resources, the  
10 university of Iowa poison control program, the mobile and  
11 regional child health ~~speciality~~ specialty clinics, and any  
12 agency or program known for a direct interest in lead levels  
13 in the environment.

14 Sec. 25. Section 135.159, subsection 2, paragraph a,  
15 subparagraph (9), Code Supplement 2011, is amended to read as  
16 follows:

17 (9) A representative of the ~~governor's~~ Iowa developmental  
18 disabilities council.

19 Sec. 26. Section 161G.3, subsection 3, paragraph a, Code  
20 2011, is amended to read as follows:

21 a. Provide for conservation systems that manage and optimize  
22 nitrogen and ~~phosphorous~~ phosphorus within fields to minimize  
23 runoff and reduce downstream nutrient loading.

24 Sec. 27. Section 162.20, subsection 5, paragraph c, Code  
25 2011, is amended to read as follows:

26 c. The transfer of a dog or cat to a research facility as  
27 defined in section 162.2 or a person licensed by the United  
28 States department of agriculture as a class B dealer pursuant  
29 to 9 C.F.R. ch. 1, subch. A, pt. 2. However, a class B dealer  
30 who receives an unsterilized dog or cat from a pound or animal  
31 shelter shall either sterilize the dog or cat or transfer the  
32 unsterilized dog or cat to a research facility provided in this  
33 paragraph. The class B dealer shall not transfer a dog to a  
34 research facility if the dog is a greyhound registered with the  
35 national greyhound association and the dog raced at a track

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1 associated with pari-mutuel racing unless the class B dealer  
2 receives written approval of the transfer from a person who  
3 owned an interest in the dog while the dog was racing.

4 Sec. 28. Section 225B.3, subsection 1, paragraphs b, c, and  
5 d, Code 2011, are amended to read as follows:

6 b. Three providers of disability prevention services,  
7 recommended by the ~~governor's~~ Iowa developmental disabilities  
8 council, appointed by the governor, and confirmed by the  
9 senate.

10 c. Three persons with expertise in priority prevention  
11 areas, recommended by the ~~governor's~~ Iowa developmental  
12 disabilities council, appointed by the governor, and confirmed  
13 by the senate.

14 d. Three persons with disabilities or family members of a  
15 person with disabilities, recommended by the ~~governor's~~ Iowa  
16 developmental disabilities council, appointed by the governor  
17 and confirmed by the senate.

18 Sec. 29. Section 225C.6, subsection 1, paragraph k, Code  
19 Supplement 2011, is amended to read as follows:

20 k. Coordinate activities with the ~~governor's~~ Iowa  
21 developmental disabilities council and the mental health  
22 planning council, created pursuant to federal law. The  
23 commission shall work with other state agencies on  
24 coordinating, collaborating, and communicating concerning  
25 activities involving persons with disabilities.

26 Sec. 30. Section 231E.4, subsection 3, paragraph e, Code  
27 2011, is amended to read as follows:

28 e. Work with the department of human services, the Iowa  
29 department of public health, the ~~governor's~~ Iowa developmental  
30 disabilities council, and other agencies to establish a  
31 referral system for the provision of substitute decision-making  
32 services.

33 Sec. 31. Section 241.3, subsection 2, Code 2011, is amended  
34 to read as follows:

35 2. The department shall consult and cooperate with the

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1 department of workforce development, the United States  
2 commissioner of social security administration, the ~~division~~  
3 ~~of~~ office on the status of women of the department of human  
4 rights, the department of education, and other persons in the  
5 executive branch of the state government as the department  
6 considers appropriate to facilitate the coordination of  
7 multipurpose service programs established under this chapter  
8 with existing programs of a similar nature.

9 Sec. 32. Section 249A.4B, subsection 2, paragraph a,  
10 subparagraph (39), Code Supplement 2011, is amended to read as  
11 follows:

12 (39) The ~~governor's~~ Iowa developmental disabilities  
13 council.

14 Sec. 33. Section 256.32, subsection 2, paragraph c, Code  
15 Supplement 2011, is amended to read as follows:

16 c. The current postsecondary agriculture ~~students~~ student  
17 organization of Iowa president.

18 Sec. 34. Section 256.35A, subsection 2, paragraph b, Code  
19 2011, is amended to read as follows:

20 b. In addition, representatives of the department of  
21 education, the division of vocational rehabilitation of the  
22 department of education, the department of public health, the  
23 department of human services, the ~~governor's~~ Iowa developmental  
24 disabilities council, the division of insurance of the  
25 department of commerce, and the state board of regents shall  
26 serve as ex officio members of the advisory council. Ex  
27 officio members shall work together in a collaborative manner  
28 to serve as a resource to the advisory council. The council  
29 may also form workgroups as necessary to address specific  
30 issues within the technical purview of individual members.

31 Sec. 35. Section 256C.5, subsection 2, paragraph a, Code  
32 Supplement 2011, is amended to read as follows:

33 a. For the initial school year for which a school district  
34 approved to participate in the preschool program receives that  
35 approval and implements the preschool program, the funding for

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1 the preschool foundation aid payable to that school district  
2 shall be paid from the appropriation made for that school year  
3 in section 256C.6, Code 2011, or in another appropriation  
4 made for purposes of this chapter. For that school year, the  
5 preschool foundation aid payable to the school district is  
6 the product of the regular program state cost per pupil for  
7 the school year multiplied by sixty percent of the school  
8 district's eligible student enrollment on the date in the  
9 school year determined by rule.

10 Sec. 36. Section 260H.2, Code Supplement 2011, is amended  
11 to read as follows:

12 **260H.2 Pathways for academic career and employment program.**

13 A pathways for academic career and employment program is  
14 established to provide funding to community colleges for the  
15 development of projects in coordination with the economic  
16 development authority, the department of education, ~~Iowa the~~  
17 department of workforce development, regional advisory boards  
18 established pursuant to section 84A.4, and community partners  
19 to implement a simplified, streamlined, and comprehensive  
20 process, along with customized support services, to enable  
21 eligible participants to acquire effective academic and  
22 employment training to secure gainful, quality, in-state  
23 employment.

24 Sec. 37. Section 260H.8, Code Supplement 2011, is amended  
25 to read as follows:

26 **260H.8 Rules.**

27 The department of education, in consultation with the  
28 community colleges, the economic development authority, and  
29 ~~Iowa the department of~~ workforce development, shall adopt  
30 rules pursuant to chapter 17A and this chapter to implement  
31 the provisions of this chapter. Regional advisory boards  
32 established pursuant to section 84A.4 shall be consulted in the  
33 development and implementation of rules to be adopted pursuant  
34 to this chapter.

35 Sec. 38. Section 273.2, subsection 3, Code Supplement 2011,

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1 is amended to read as follows:

2 3. The area education agency board shall furnish  
3 educational services and programs as provided in sections  
4 273.1, this section, sections 273.3 to 273.9, and chapter 256B  
5 to the pupils enrolled in public or nonpublic schools located  
6 within its boundaries which are on the list of accredited  
7 schools pursuant to section 256.11. The programs and services  
8 provided shall be at least commensurate with programs and  
9 services existing on July 1, 1974. The programs and services  
10 provided to pupils enrolled in nonpublic schools shall be  
11 comparable to programs and services provided to pupils enrolled  
12 in public schools within constitutional guidelines.

13 Sec. 39. Section 273.3, subsections 2 and 12, Code  
14 Supplement 2011, are amended to read as follows:

15 2. Be authorized to receive and expend money for providing  
16 programs and services as provided in sections 273.1, 273.2,  
17 this section, sections 273.4 to 273.9, and chapters 256B  
18 and 257. All costs incurred in providing the programs and  
19 services, including administrative costs, shall be paid from  
20 funds received pursuant to sections 273.1 to 273.9 and chapters  
21 256B and 257.

22 12. Prepare an annual budget estimating income and  
23 expenditures for programs and services as provided in sections  
24 273.1, 273.2, this section, sections 273.4 to 273.9, and  
25 chapter 256B within the limits of funds provided under section  
26 256B.9 and chapter 257. The board shall give notice of a  
27 public hearing on the proposed budget by publication in an  
28 official county newspaper in each county in the territory  
29 of the area education agency in which the principal place  
30 of business of a school district that is a part of the area  
31 education agency is located. The notice shall specify the  
32 date, which shall be not later than March 1 of each year, the  
33 time, and the location of the public hearing. The proposed  
34 budget as approved by the board shall then be submitted to the  
35 state board of education, on forms provided by the department,

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1 no later than March 15 preceding the next fiscal year for  
2 approval. The state board shall review the proposed budget of  
3 each area education agency and shall before April 1, either  
4 grant approval or return the budget without approval with  
5 comments of the state board included. An unapproved budget  
6 shall be resubmitted to the state board for final approval not  
7 later than April 15. For the fiscal year beginning July 1,  
8 1999, and each succeeding fiscal year, the state board shall  
9 give final approval only to budgets submitted by area education  
10 agencies accredited by the state board or that have been given  
11 conditional accreditation by the state board.

12 Sec. 40. Section 280.13C, subsection 3, Code Supplement  
13 2011, is amended to read as follows:

14 3. ~~a.~~ A student who has been removed from participation  
15 shall not recommence such participation until the student has  
16 been evaluated by a licensed health care provider trained in  
17 the evaluation and management of concussions and other brain  
18 injuries and the student has received written clearance to  
19 return to participation from the health care provider.

20 ~~b.~~ 4. For the purposes of this section, ~~a "licensed health~~  
21 ~~care provider":~~

22 a. "Extracurricular interscholastic activity" means any  
23 extracurricular interscholastic activity, contest, or practice,  
24 including sports, dance, or cheerleading.

25 b. "Licensed health care provider" means a physician,  
26 physician assistant, chiropractor, advanced registered nurse  
27 practitioner, nurse, physical therapist, or athletic trainer  
28 licensed by a board designated under section 147.13.

29 ~~c. For the purposes of this section, an "extracurricular~~  
30 ~~interscholastic activity" means any extracurricular~~  
31 ~~interscholastic activity, contest, or practice, including~~  
32 ~~sports, dance, or cheerleading.~~

33 Sec. 41. Section 313.3, subsection 1, paragraph d, Code  
34 2011, is amended to read as follows:

35 d. All revenue accrued or accruing to the state of Iowa

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1 on or after January 26, 1949, from the sale of public lands  
2 within the state, under Acts of Congress approved March 3,  
3 1845, supplemental to the Act for the ~~admission~~ Admission of  
4 the ~~states~~ States of Iowa and Florida into the Union, chapters  
5 75 and 76 ~~{Fifth Statutes, pages 788 and 790}~~, 5 Stat. 788,  
6 790, shall be placed in the primary road fund.

7 Sec. 42. Section 331.512, subsection 1, paragraph e, Code  
8 2011, is amended to read as follows:

9 e. The levy for taxes for the ~~county~~ brucellosis and  
10 tuberculosis eradication fund as provided in section 165.18.

11 Sec. 43. Section 331.559, subsection 2, Code 2011, is  
12 amended to read as follows:

13 2. Collect the tax levied for the ~~county~~ brucellosis and  
14 tuberculosis eradication fund as provided in section 165.18.

15 Sec. 44. Section 356.36, unnumbered paragraph 1, Code 2011,  
16 is amended to read as follows:

17 The Iowa department of corrections, in consultation with  
18 the Iowa state sheriff's association, the Iowa ~~association~~  
19 ~~of chiefs of police and peace officers association~~, the  
20 Iowa league of cities, and the Iowa board of supervisors  
21 association, shall draw up minimum standards for the regulation  
22 of jails, alternative jails, facilities established pursuant to  
23 chapter 356A and municipal holding facilities. When completed  
24 by the department, the standards shall be adopted as rules  
25 pursuant to chapter 17A.

26 Sec. 45. Section 356.37, Code 2011, is amended to read as  
27 follows:

28 **356.37 Confinement and detention report — design proposals.**

29 The division of criminal and juvenile justice planning  
30 of the department of human rights, in consultation with  
31 the department of corrections, the Iowa county attorneys  
32 association, the Iowa state sheriff's association, the Iowa  
33 ~~association of chiefs of police and peace officers association~~,  
34 a statewide organization representing rural property taxpayers,  
35 the Iowa league of cities, and the Iowa board of supervisors

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1 association, shall prepare a report analyzing the confinement  
2 and detention needs of jails and facilities established  
3 pursuant to this chapter and chapter 356A. The report for each  
4 type of jail or facility shall include but is not limited to  
5 an inventory of prisoner space, daily prisoner counts, options  
6 for detention of prisoners with mental illness or substance  
7 abuse service needs, and the compliance status under section  
8 356.36 for each jail or facility. The report shall contain an  
9 inventory of recent jail or facility construction projects in  
10 which voters have approved the issuance of general obligation  
11 bonds, essential county purpose bonds, revenue bonds, or  
12 bonds issued pursuant to chapter 423B. The report shall be  
13 revised periodically as directed by the administrator of the  
14 division of criminal and juvenile justice planning. The first  
15 submission of the report shall include recommendations on  
16 offender data needed to estimate jail space needs in the next  
17 two, three, and five years, on a county, geographic region, and  
18 statewide basis, which may be based upon information submitted  
19 pursuant to section 356.49.

20 Sec. 46. Section 403.21, subsection 3, Code Supplement  
21 2011, is amended to read as follows:

22 3. The community college shall send a copy of the final  
23 agreement prepared pursuant to section 260F.3 to the economic  
24 development authority. For each year in which incremental  
25 property taxes are used to retire debt service on a jobs  
26 training advance issued for a project creating new jobs, the  
27 community college shall provide to the economic development  
28 authority a report of the incremental property taxes and new  
29 jobs credits from withholding generated for that year, a  
30 specific description of the training conducted, the number of  
31 employees provided program services under the project, and the  
32 median wage of employees in the new jobs in the project, and  
33 the administrative costs directly attributable to the project.

34 Sec. 47. Section 410.1, unnumbered paragraph 5, Code 2011,  
35 is amended to read as follows:

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1 The provisions of this chapter shall not apply to police  
2 officers and fire fighters who entered employment after March  
3 2, 1934, except that any police officer or fire fighter who  
4 had been making payments of membership fees and assessments as  
5 provided in section 410.5 prior to July 1, 1971, shall on July  
6 1, 1973, be fully restored and entitled to all pension rights  
7 and benefits, vested or not vested, under this chapter if the  
8 city has not returned to such police officer or fire fighter  
9 the membership fees and assessments paid by the police officer  
10 or fire fighter prior to July 1, 1971, and if such police  
11 officer or fire fighter pays to the city within six months  
12 after July 1, 1973, the amount of the fees and assessments  
13 that the police officer or fire fighter would have paid to the  
14 police officers' or fire fighters' pension fund from July 1,  
15 1971, to July 1, 1973, if 1971 Iowa Acts of the 1971 Session,  
16 ~~Sixty-fourth General Assembly~~, ch. 108, had not been adopted.  
17 If the membership fees and assessments paid by such police  
18 officer or fire fighter prior to July 1, 1971, have been  
19 returned to the police officer or fire fighter, all pension  
20 rights and benefits, vested or not vested, under this chapter  
21 shall be fully restored to the police officer or fire fighter  
22 on July 1, 1973, if, within six months after July 1, 1973, such  
23 police officer or fire fighter repays the fees and assessments  
24 so returned and pays the amount of the fees and assessments to  
25 the city that the police officer or fire fighter would have  
26 paid to the appropriate pension fund from July 1, 1971, to  
27 July 1, 1973, if 1971 Iowa Acts of the Sixty-fourth General  
28 ~~Assembly, 1971 Session~~, ch. 108 had not been adopted.

29 Sec. 48. Section 411.36, subsection 1, paragraph a,  
30 subparagraph (1), Code 2011, is amended to read as follows:  
31 (1) Two fire fighters from different participating cities,  
32 one of whom is an active member of the retirement system and  
33 one of whom is a retired member. The fire fighters shall be  
34 appointed by the governing body of the Iowa ~~association of~~  
35 professional fire fighters.

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1 Sec. 49. Section 437A.3, subsection 14, Code Supplement  
2 2011, is amended to read as follows:

3 14. a. "*Local amount*" means the first forty-four million  
4 four hundred forty-four thousand four hundred forty-five  
5 dollars of the acquisition cost of any major addition which is  
6 an electric power generating plant and the total acquisition  
7 cost of any other major addition.

8 b. "*Local amount*" for the purposes of determining the local  
9 taxable value for a new electric power generating plant shall  
10 annually be determined to be equal up to the first forty-four  
11 million four hundred forty-four thousand four hundred  
12 forty-five dollars of the taxable value of the new electric  
13 power generating plant. "*Local amount*" for the purposes  
14 of determining the local assessed value for a new electric  
15 power generating plant shall be annually determined to be the  
16 percentage share of the taxable value of the new electric power  
17 generating plant allocated as the local amount multiplied by  
18 the total assessed value of the new electric power generating  
19 plant.

20 Sec. 50. Section 437A.3, subsection 18, paragraph b, Code  
21 Supplement 2011, is amended to read as follows:

22 b. (1) Any acquisition on or after January 1, 2004, by  
23 a taxpayer, by transfer of ownership, self-construction,  
24 or capital lease of any interest in electric transmission  
25 operating property within a local taxing district where the  
26 acquisition cost of all interests acquired exceeds one million  
27 dollars.

28 (2) For purposes of this chapter, the acquisition cost of  
29 an asset acquired by capital lease is its capitalized value  
30 determined under generally accepted accounting principles.

31 Sec. 51. Section 451.1, subsection 3, Code 2011, is amended  
32 to read as follows:

33 3. "*Federal Estate Tax Act*" and all such similar terms,  
34 means ~~Title~~ Tit. III of chapter 27 of the Acts of the  
35 Sixty-ninth Congress of the United States, first session,

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1 appearing in 44 ~~Statutes at Large~~ Stat., chapter ch. 27, as of  
2 January 1, 2000, as amended.

3 Sec. 52. Section 452A.5, Code 2011, is amended to read as  
4 follows:

5 **452A.5 Distribution allowance.**

6 1. A supplier shall retain a distribution allowance of not  
7 more than one and six-tenths percent of all gallons of motor  
8 fuel and a distribution allowance of not more than seven-tenths  
9 percent of all gallons of undyed special fuel removed from  
10 the terminal during the reporting period for purposes of tax  
11 computation under section 452A.8.

12 2. The distribution allowance shall be prorated between the  
13 supplier and the distributor or dealer as follows:

14 ~~1-~~ a. Motor fuel: four-tenths percent retained by the  
15 supplier, one and two-tenths percent to the distributor.

16 ~~2-~~ b. Undyed special fuel: thirty-five hundredths percent  
17 retained by the supplier, thirty-five hundredths percent to the  
18 distributor or dealer purchasing directly from a supplier.

19 3. Gallons exported outside of the state shall not be  
20 included in the calculation of the distribution.

21 Sec. 53. Section 452A.8, subsection 2, paragraph e, Code  
22 2011, is amended to read as follows:

23 e. (1) The tax for compressed natural gas and liquefied  
24 petroleum gas delivered by a licensed compressed natural gas  
25 or liquefied petroleum gas dealer for use in this state shall  
26 attach at the time of the delivery and shall be collected by  
27 the dealer from the consumer and paid to the department as  
28 provided in this chapter. The tax, with respect to compressed  
29 natural gas and liquefied petroleum gas acquired by a consumer  
30 in any manner other than by delivery by a licensed compressed  
31 natural gas or liquefied petroleum gas dealer into a fuel  
32 supply tank of a motor vehicle, attaches at the time of the use  
33 of the fuel and shall be paid over to the department by the  
34 consumer as provided in this chapter.

35 (2) The department shall adopt rules governing the

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1 dispensing of compressed natural gas and liquefied petroleum  
2 gas by licensed dealers and licensed users. The director may  
3 require by rule that reports and returns be filed by electronic  
4 transmission. For purposes of this paragraph "e", "dealer"  
5 and "user" mean a licensed compressed natural gas or liquefied  
6 petroleum gas dealer or user and "fuel" means compressed natural  
7 gas or liquefied petroleum gas. The department shall require  
8 that all pumps located at dealer locations and user locations  
9 through which liquefied petroleum gas can be dispensed shall  
10 be metered, inspected, tested for accuracy, and sealed and  
11 licensed by the state department of agriculture and land  
12 stewardship, and that fuel delivered into the fuel supply  
13 tank of any motor vehicle shall be dispensed only through  
14 tested metered pumps and may be sold without temperature  
15 correction or corrected to a temperature of sixty degrees. If  
16 the metered gallonage is to be temperature-corrected, only a  
17 temperature-compensated meter shall be used. Natural gas used  
18 as fuel shall be delivered into compressing equipment through  
19 sealed meters certified for accuracy by the department of  
20 agriculture and land stewardship.

21 (3) (a) All gallonage which is not for highway use,  
22 dispensed through metered pumps as licensed under this section  
23 on which fuel tax is not collected, must be substantiated by  
24 exemption certificates as provided by the department or by  
25 valid exemption certificates provided by the dealers, signed by  
26 the purchaser, and retained by the dealer. A "valid exemption  
27 certificate provided by a dealer" is an exemption certificate  
28 which is in the form prescribed by the director to assist a  
29 dealer to properly account for fuel dispensed for which tax is  
30 not collected and which is complete and correct according to  
31 the requirements of the director.

32 (b) For the privilege of purchasing liquefied petroleum  
33 gas, dispensed through licensed metered pumps, on a basis  
34 exempt from the tax, the purchaser shall sign exemption  
35 certificates for the gallonage claimed which is not for highway

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1 use.

2     (c) The department shall disallow all sales of gallonage  
3 which is not for highway use unless proof is established by the  
4 certificate. Exemption certificates shall be retained by the  
5 dealer for a period of three years.

6     ~~(1)~~ (4) (a) For the purpose of determining the amount  
7 of liability for fuel tax, each dealer and each user shall  
8 file with the department not later than the last day of the  
9 month following the month in which this division becomes  
10 effective and not later than the last day of each calendar  
11 month thereafter a monthly tax return certified under penalties  
12 for false certification. The return shall show, with reference  
13 to each location at which fuel is delivered or placed by the  
14 dealer or user into a fuel supply tank of any motor vehicle  
15 during the next preceding calendar month, information as  
16 required by the department.

17     ~~(2)~~ (b) The amount of tax due shall be computed by  
18 multiplying the appropriate tax rate per gallon by the number  
19 of gallons of fuel delivered or placed by the dealer or user  
20 into supply tanks of motor vehicles.

21     ~~(3)~~ (c) The return shall be accompanied by remittance in  
22 the amount of the tax due for the month in which the fuel was  
23 placed into the supply tanks of motor vehicles.

24     Sec. 54. Section 453A.13, subsection 4, paragraph a,  
25 unnumbered paragraph 1, Code Supplement 2011, is amended to  
26 read as follows:

27     An unrevoked permit for which the holder has paid the full  
28 annual fee may be surrendered during the first nine months of  
29 said year to the officer issuing it, and the department, or the  
30 city or county granting the permit shall make refunds to the  
31 ~~said~~ holder as follows:

32     Sec. 55. Section 453A.13, subsection 4, paragraphs b and c,  
33 Code Supplement 2011, are amended to read as follows:

34     b. An unrevoked permit for which the holder has paid  
35 three-fourths of a full annual fee may be so surrendered during

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1 the first six months of the period covered by said payment and  
2 the ~~said~~ department, city, or county shall make refunds to the  
3 holder as follows:

4 (1) A sum equal to one-half of an annual fee if the  
5 surrender is made during October, November, or December.

6 (2) A sum equal to one-fourth of an annual fee if the  
7 surrender is made during January, February, or March.

8 c. An unrevoked permit for which the holder has paid  
9 one-half of a full annual fee may be surrendered during the  
10 first three months of the period covered by that payment, and  
11 the department, city, or county, shall refund to the holder a  
12 sum equal to one-fourth of an annual fee.

13 Sec. 56. Section 455B.171, subsection 32, Code Supplement  
14 2011, is amended to read as follows:

15 32. "Sewage sludge" means any solid, semisolid, or liquid  
16 residue removed during the treatment of municipal waste water  
17 or domestic sewage. "Sewage sludge" includes but is not limited  
18 to solids removed during primary, secondary, or advanced waste  
19 water treatment, scum septage, portable toilet pumpings, type  
20 III marine device pumpings as defined in 33 C.F.R. ~~part~~ ch. 1,  
21 subch. O, pt. 159, and sewage sludge products. "Sewage sludge"  
22 does not include grit, screenings, or ash generated during the  
23 incineration of sewage sludge.

24 Sec. 57. Section 455B.261, subsection 7, Code 2011, is  
25 amended to read as follows:

26 7. "Established average minimum flow" means the average  
27 minimum flow for a given watercourse at a given point  
28 determined and established by the commission.

29 a. The "average minimum flow" for a given watercourse shall  
30 be determined by the following factors:

31 ~~a-~~ (1) Average of minimum daily flows occurring during  
32 the preceding years chosen by the commission as more nearly  
33 representative of changing conditions and needs of a given  
34 drainage area at a particular time.

35 ~~b-~~ (2) Minimum daily flows shown by experience to be the

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1 limit at which further withdrawals would be harmful to the  
2 public interest in any particular drainage area.

3 ~~e.~~ (3) The minimum daily flows shown by established  
4 discharge records and experiences to be definitely harmful to  
5 the public interest.

6 b. The determination shall be based upon available data,  
7 supplemented, when available data are incomplete, with whatever  
8 evidence is available.

9 Sec. 58. Section 455B.423, subsection 2, paragraph a,  
10 subparagraph (6), Code Supplement 2011, is amended to read as  
11 follows:

12 (6) Through agreements or contracts with other state  
13 agencies, to work with private industry to develop alternatives  
14 to land disposal of hazardous waste or hazardous substances  
15 including but not limited to resource recovery, recycling,  
16 neutralization, and reduction.

17 Sec. 59. Section 455B.471, subsection 11, Code Supplement  
18 2011, is amended to read as follows:

19 11. *a. "Underground storage tank" means one or a*  
20 *combination of tanks, including underground pipes connected*  
21 *to the tanks which are used to contain an accumulation of*  
22 *regulated substances and the volume of which, including the*  
23 *volume of the underground pipes, is ten percent or more beneath*  
24 *the surface of the ground.*

25 *b. (1) "Underground storage tank" does not include:*

26 ~~(1)~~ (a) Farm or residential tanks of one thousand one  
27 hundred gallons or less capacity used for storing motor fuel  
28 for noncommercial purposes.

29 ~~(2)~~ (b) Tanks used for storing heating oil for consumptive  
30 use on the premises where stored.

31 ~~(3)~~ (c) Residential septic tanks.

32 ~~(4)~~ (d) Pipeline facilities regulated under the Natural  
33 Gas Pipeline Safety Act of 1968, as amended to January 1, 1985,  
34 codified at 49 U.S.C. § 1671 et seq., the Hazardous Liquid  
35 Pipeline Safety Act of 1979, as amended to January 1, 1985,

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1 codified at 49 U.S.C. § 2001 et seq., or an intrastate pipeline  
2 facility regulated under chapter 479.

3   ~~(5)~~ (e) A surface impoundment, pit, pond, or lagoon.

4   ~~(6)~~ (f) A storm water or wastewater collection system.

5   ~~(7)~~ (g) A flow-through process tank.

6   ~~(8)~~ (h) A liquid trap or associated gathering lines  
7 directly related to oil or gas production and gathering  
8 operations.

9   ~~(9)~~ (i) A storage tank situated in an underground area  
10 including but not limited to a basement, cellar, mineworking,  
11 drift, shaft, or tunnel if the storage tank is situated upon or  
12 above the surface of the floor.

13   ~~b-~~ (2) "Underground storage tank" does not include  
14 pipes connected to a tank described in paragraph ~~"a"~~ "b",  
15 ~~subparagraphs subparagraph (1) through (9).~~

16   Sec. 60. Section 455B.474, subsection 1, paragraph a,  
17 subparagraph (6), subparagraph division (g), Code Supplement  
18 2011, is amended to read as follows:

19   (g) An owner or operator may elect to proceed with  
20 additional corrective action on the site. However, any action  
21 taken in addition to that required pursuant to this ~~paragraph~~  
22 ~~"a"~~, subparagraph (6), shall be solely at the expense of the  
23 owner or operator and shall not be considered corrective action  
24 for purposes of section 455G.9, unless otherwise previously  
25 agreed to by the board and the owner or operator pursuant to  
26 section 455G.9, subsection 7. Corrective action taken by an  
27 owner or operator due to the department's failure to meet the  
28 time requirements provided in subparagraph division (e) shall  
29 be considered corrective action for purposes of section 455G.9.

30   Sec. 61. Section 455B.474, subsection 1, paragraph a,  
31 subparagraph (8), subparagraph division (c), Code Supplement  
32 2011, is amended to read as follows:

33   (c) A certificate shall be recorded with the county  
34 recorder. The owner or operator of a site who has been issued  
35 a certificate under this ~~paragraph "a"~~, subparagraph (8), or

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1 a subsequent purchaser of the site shall not be required to  
2 perform further corrective action because action standards are  
3 changed at a later date. A certificate shall not prevent the  
4 department from ordering corrective action of a new release.

5 Sec. 62. Section 455B.474, subsection 2, paragraph a,  
6 subparagraph (2), Code Supplement 2011, is amended to read as  
7 follows:

8 (2) A person who establishes financial responsibility  
9 by self-insurance shall not require or shall not enforce an  
10 indemnification agreement with an operator or owner of the tank  
11 covered by the self-insurance obligation, unless the owner  
12 or operator has committed a substantial breach of a contract  
13 between the self-insurer and the owner or operator, and that  
14 substantial breach relates directly to the operation of the  
15 tank in an environmentally sound manner. This ~~paragraph~~  
16 subparagraph applies to all contracts between a self-insurer  
17 and an owner or operator entered into on or after May 5, 1989.

18 Sec. 63. Section 456A.33B, subsection 2, paragraph c,  
19 subparagraph (4), unnumbered paragraph 1, Code Supplement 2011,  
20 is amended to read as follows:

21 Delivery of ~~phosphorous~~ phosphorus and sediment from  
22 the watershed will be controlled and in place before lake  
23 restoration begins. Loads of ~~phosphorous~~ phosphorus and  
24 sediment, in conjunction with in-lake management, will meet or  
25 exceed the following water quality targets:

26 Sec. 64. Section 462A.52, subsection 3, Code 2011, is  
27 amended to read as follows:

28 3. The commission shall submit a written report to the  
29 general assembly by December 31, 2007, and by December 31 of  
30 each year thereafter through December 31, 2013, summarizing the  
31 activities of the department in administering and enforcing  
32 programs to control aquatic invasive species and administering  
33 and enforcing navigation laws and water safety upon the inland  
34 waters of the state. The report shall include information  
35 concerning the amount of revenues collected pursuant to this

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1 section as a result of fee increases pursuant to 2005 Iowa  
2 Acts, ch. 137, and how the revenues were expended. The report  
3 shall also include information concerning the amount and source  
4 of all other funds expended by the commission during the year  
5 for the purposes of administering and enforcing programs  
6 to control aquatic invasive species and administering and  
7 enforcing navigation laws and water safety upon the inland  
8 waters of the state and how the funds were expended.

9 Sec. 65. Section 466B.3, subsection 4, paragraph k,  
10 unnumbered paragraph 1, Code Supplement 2011, is amended to  
11 read as follows:

12 The secretary of agriculture, who shall be the chairperson,  
13 or the secretary's designee. As the chairperson, and in  
14 order to further the coordination efforts of the council, the  
15 secretary may invite representatives from any other public  
16 agency, private organization, business, citizen group, or  
17 nonprofit entity to give public input at council meetings,  
18 provided the entity has an interest in the coordinated  
19 management of land resources, soil conservation, flood  
20 mitigation, or water quality. The secretary shall also invite  
21 and solicit advice from the following:

22 Sec. 66. Section 468.174, Code 2011, is amended to read as  
23 follows:

24 **468.174 Membership in the national drainage association.**

25 1. Any drainage district may join and become a member of  
26 the national drainage association. A drainage district may  
27 pay a membership fee and annual dues upon the approval of the  
28 drainage board of such district, but not in excess of the  
29 following:

30 a. One hundred dollars for drainage districts having  
31 indebtedness in excess of one million dollars.

32 b. Fifty dollars for drainage districts having an  
33 indebtedness of five hundred thousand dollars and less than one  
34 million dollars.

35 c. Twenty-five dollars for drainage districts having an

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1 indebtedness of two hundred fifty thousand dollars and less  
2 than five hundred thousand dollars.  
3 d. Ten dollars for drainage districts having an indebtedness  
4 less than two hundred fifty thousand dollars.  
5 2. The annual dues for any district shall not exceed  
6 one-twentieth of one percent of the outstanding indebtedness of  
7 the district.  
8 Sec. 67. Section 476.1, Code 2011, is amended to read as  
9 follows:  
10 **476.1 Applicability of authority.**  
11 1. The utilities board within the utilities division of the  
12 department of commerce shall regulate the rates and services of  
13 public utilities to the extent and in the manner hereinafter  
14 provided.  
15 2. As used in this chapter, "*board*" or "*utilities board*"  
16 means the utilities board within the utilities division of the  
17 department of commerce.  
18 3. As used in this chapter, "*public utility*" shall include  
19 any person, partnership, business association, or corporation,  
20 domestic or foreign, owning or operating any facilities for:  
21 ~~1-~~ a. Furnishing gas by piped distribution system or  
22 electricity to the public for compensation.  
23 ~~2-~~ b. Furnishing communications services to the public for  
24 compensation.  
25 ~~3-~~ c. Furnishing water by piped distribution system to the  
26 public for compensation.  
27 4. Mutual telephone companies in which at least fifty  
28 percent of the users are owners, cooperative telephone  
29 corporations or associations, telephone companies having less  
30 than fifteen thousand customers and less than fifteen thousand  
31 access lines, municipally owned utilities, and unincorporated  
32 villages which own their own distribution systems are not  
33 subject to the rate regulation provided for in this chapter.  
34 5. This chapter does not apply to waterworks having less  
35 than two thousand customers, municipally owned waterworks,

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1 joint water utilities established pursuant to chapter 389,  
2 rural water districts incorporated and organized pursuant  
3 to chapters 357A and 504, cooperative water associations  
4 incorporated and organized pursuant to chapter 499, or to  
5 a person furnishing electricity to five or fewer customers  
6 either by secondary line or from an alternate energy production  
7 facility or small hydro facility, from electricity that is  
8 produced primarily for the person's own use.

9     6. A telephone company otherwise exempt from rate  
10 regulation and having telephone exchange facilities which cross  
11 state lines may elect, in a writing filed with the board, to  
12 have its rates regulated by the board. When a written election  
13 has been filed with the board, the board shall assume rate  
14 regulation jurisdiction over the company.

15     7. The jurisdiction of the board under this chapter  
16 shall include efforts designed to promote the use of energy  
17 efficiency strategies by rate or service-regulated gas and  
18 electric utilities.

19     Sec. 68. Section 476.1D, subsection 1, paragraph c,  
20 subparagraph (3), Code Supplement 2011, is amended to read as  
21 follows:

22     (3) Effective July 1, 2008, the retail rate jurisdiction  
23 of the board shall not be applicable to single line flat-rated  
24 residential and business service rates unless the board during  
25 the first six calendar months of 2008 extends its retail rate  
26 jurisdiction over single line flat-rated residential and  
27 business service rates provided by a previously rate-regulated  
28 telephone utility. The board may extend its jurisdiction  
29 pursuant to this ~~paragraph~~ subparagraph for not more than two  
30 years and may do so only after the board finds that such action  
31 is necessary for the public interest. The board shall provide  
32 the general assembly with a copy of any order to extend its  
33 jurisdiction and shall permit any telephone utility subject to  
34 the extension to increase single line flat-rated residential  
35 and business monthly service rates by an amount up to two

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1 dollars during each twelve-month period of the extension. If a  
2 telephone utility fails to impose such a rate increase during  
3 any twelve-month period, the utility may not impose the unused  
4 increase in any subsequent year.

5 Sec. 69. Section 499.47B, subsection 3, paragraph a, Code  
6 Supplement 2011, is amended to read as follows:

7 a. Except as provided in paragraph "b", the sale, lease,  
8 exchange, or other disposition must be approved by a two-thirds  
9 vote of the members in which vote a majority of all voting  
10 members participate.

11 Sec. 70. Section 499.47B, subsection 3, paragraph b,  
12 subparagraph (1), Code Supplement 2011, is amended to read as  
13 follows:

14 (1) If the cooperative association's articles of  
15 incorporation require approval by more than two-thirds of  
16 its members in which vote a majority of all voting members  
17 participate, the sale, lease, exchange, or other disposition  
18 must be approved by the greater number as provided in the  
19 articles of incorporation.

20 Sec. 71. Section 499.64, subsection 2, paragraph a, Code  
21 Supplement 2011, is amended to read as follows:

22 a. Except as provided in paragraph "b", the proposed plan of  
23 merger or consolidation must be approved by a two-thirds vote  
24 of the members in which vote a majority of all voting members  
25 participate.

26 Sec. 72. Section 499.64, subsection 2, paragraph b,  
27 subparagraph (1), Code Supplement 2011, is amended to read as  
28 follows:

29 (1) If the cooperative association's articles of  
30 incorporation require approval by more than two-thirds of  
31 its members in which vote a majority of all voting members  
32 participate, the proposed plan of merger or consolidation must  
33 be approved by the greater number as provided in the articles  
34 of incorporation.

35 Sec. 73. Section 501.203, subsection 4, Code Supplement

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1 2011, is amended to read as follows:

2 4. If the board does not recommend the amendment or  
3 restatement to the members, then the amendment or restatement  
4 must be adopted by the members by a vote of two-thirds of the  
5 votes cast in which vote a majority of all votes are cast.

6 Sec. 74. Section 501.204, Code Supplement 2011, is amended  
7 to read as follows:

8 **501.204 Bylaws.**

9 The board may adopt or amend the cooperative's bylaws by a  
10 vote of three-fourths of the board. The members may adopt or  
11 amend the cooperative's bylaws by a vote of three-fourths of  
12 the votes cast in which vote a majority of all votes are cast.  
13 A bylaw provision adopted by the members shall not be amended  
14 or repealed by the directors.

15 Sec. 75. Section 501.601, subsection 2, paragraph b, Code  
16 Supplement 2011, is amended to read as follows:

17 b. The members must approve the plan of conversion by ~~the~~ a  
18 vote of two-thirds of the votes cast in which vote a majority  
19 of all votes are cast.

20 Sec. 76. Section 501.603, subsection 2, Code Supplement  
21 2011, is amended to read as follows:

22 2. A cooperative may sell, lease, exchange, or otherwise  
23 dispose of all, or substantially all, of its property, with  
24 or without the goodwill, on the terms and conditions and for  
25 the consideration determined by the board, which consideration  
26 may include the interests of another cooperative, if the board  
27 recommends the proposed transaction to the members, and the  
28 members approve it by ~~the~~ a vote of two-thirds of the votes  
29 cast in which vote a majority of all votes are cast. The board  
30 may condition its submission of the proposed transaction on any  
31 basis.

32 Sec. 77. Section 501.614, subsection 2, Code Supplement  
33 2011, is amended to read as follows:

34 2. At the meeting, a vote of the members who are entitled  
35 to vote in the affairs of the association shall be taken on

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1 the proposed plan of merger or consolidation. The plan of  
2 merger or consolidation shall be approved if two-thirds of  
3 the members vote affirmatively ~~in which~~ and a majority of all  
4 voting members participate in the voting.

5 Sec. 78. Section 509B.1, subsection 6, Code 2011, is amended  
6 to read as follows:

7 6. "*Medicare*" means ~~Title~~ Tit. XVIII of the United States  
8 Social Security Act.

9 Sec. 79. Section 513C.3, subsection 14, paragraph a, Code  
10 2011, is amended to read as follows:

11 a. Loss of eligibility for medical assistance provided  
12 pursuant to chapter 249A or Medicare coverage provided pursuant  
13 to ~~Title~~ Tit. XVIII of the federal Social Security Act.

14 Sec. 80. Section 514G.103, subsection 16, paragraph a,  
15 subparagraph (2), Code 2011, is amended to read as follows:

16 (2) The contract does not pay or reimburse expenses incurred  
17 for services or items to the extent that the expenses are  
18 reimbursable under ~~Title~~ Tit. XVIII of the federal Social  
19 Security Act, as amended, or would be reimbursable but for  
20 the application of a deductible or coinsurance amount. The  
21 requirements of this subparagraph do not apply to expenses that  
22 are reimbursable under ~~Title~~ Tit. XVIII of the federal Social  
23 Security Act only as a secondary payor. A contract does not  
24 fail to satisfy the requirements of this subparagraph because  
25 payments are made on a per diem or other periodic basis without  
26 regard to the expenses incurred during the period to which the  
27 payments relate.

28 Sec. 81. Section 524.221, subsection 3, Code Supplement  
29 2011, is amended to read as follows:

30 3. The provisions of this section, insofar as applicable,  
31 shall apply to the records of a national bank or a federally  
32 chartered savings bank or a federally ~~charted~~ chartered savings  
33 and loan association.

34 Sec. 82. Section 558.66, subsection 3, paragraph b,  
35 subparagraph (2), Code Supplement 2011, is amended to read as

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1 follows:

2 (2) The name of the surviving joint tenant or owner of the  
3 remainder interest, as applicable, in whose name the county  
4 records should reflect ownership of title.

5 Sec. 83. Section 602.4201, subsection 3, paragraph h, Code  
6 2011, as amended by 2011 Iowa Acts, chapter 121, section 60,  
7 is amended to read as follows:

8 *h.* Involuntary commitment or treatment of persons with a  
9 substance-related disorders.

10 Sec. 84. Section 634A.1, subsection 1, paragraph a, Code  
11 2011, is amended to read as follows:

12 *a.* Is considered to be a person with a disability under the  
13 disability criteria specified in Title Tit. II or Title Tit.  
14 XVI of the federal Social Security Act.

15 Sec. 85. Section 714G.8, subsection 4, Code 2011, is amended  
16 to read as follows:

17 4. Child support enforcement officials when investigating a  
18 child support case pursuant to Title Tit. IV-D or Title Tit.  
19 XIX of the federal Social Security Act.

20 Sec. 86. Section 717.5, subsection 3, paragraph a,  
21 subparagraph (1), Code Supplement 2011, is amended to read as  
22 follows:

23 (1) For livestock neglected under section 717.2, the  
24 amount shall not be more than for expenses incurred by the  
25 local authority in maintaining and disposing of the neglected  
26 livestock rescued pursuant to section 717.2A, and reasonable  
27 attorney fees and expenses related to the investigation of the  
28 case. The remaining amount of a bond or other security posted  
29 pursuant to subsection 1 shall be used to reimburse the local  
30 authority.

31 DIVISION II

32 VOLUME V RENUMBERING

33 Sec. 87. Section 490.202, subsection 2, paragraph d, Code  
34 2011, is amended to read as follows:

35 *d.* (1) A provision eliminating or limiting the liability

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1 of a director to the corporation or its shareholders for  
2 money damages for any action taken, or any failure to take  
3 any action, as a director, except liability for any of the  
4 following:

5 ~~(1)~~ (a) The amount of a financial benefit received by a  
6 director to which the director is not entitled.

7 ~~(2)~~ (b) An intentional infliction of harm on the  
8 corporation or the shareholders.

9 ~~(3)~~ (c) A violation of section 490.833.

10 ~~(4)~~ (d) An intentional violation of criminal law.

11 (2) A provision shall not eliminate or limit the liability  
12 of a director for an act or omission occurring prior to the  
13 date when the provision in the articles of incorporation  
14 becomes effective.

15 Sec. 88. Section 490.1110, subsection 2, Code 2011, is  
16 amended to read as follows:

17 2. a. This section does not apply in any of the following  
18 circumstances:

19 ~~a.~~ (1) The corporation does not have a class of voting  
20 stock that is listed on a national securities exchange,  
21 authorized for quotation on the national association  
22 of securities dealers automated quotations - national  
23 market system, or held of record by more than two thousand  
24 shareholders, unless any of the foregoing results from action  
25 taken, directly or indirectly, by an interested shareholder  
26 or from a transaction in which a person becomes an interested  
27 shareholder.

28 ~~b.~~ (2) The corporation's original articles of incorporation  
29 contain a provision expressly electing not to be governed by  
30 this section.

31 ~~c.~~ (3) The corporation, by action of its board of  
32 directors, adopts an amendment to its bylaws by no later than  
33 September 29, 1997, expressly electing not to be governed by  
34 this section, which amendment shall not be further amended by  
35 the board of directors.

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1     ~~d-~~ (4) (a) The corporation, by action of its shareholders,  
2 adopts an amendment to its articles of incorporation or bylaws  
3 expressly electing not to be governed by this section, provided  
4 that, in addition to any other vote required by law, such  
5 amendment to the articles of incorporation or bylaws must be  
6 approved by the affirmative vote of a majority of the shares  
7 entitled to vote. An amendment adopted pursuant to this  
8 ~~paragraph~~ subparagraph is effective immediately in the case of  
9 a corporation that has never had a class of voting stock that  
10 falls within any of the three categories set out in ~~paragraph~~  
11 ~~"a"~~ subparagraph (1) and has not elected by a provision in its  
12 original articles of incorporation or any amendment to such  
13 articles to be governed by this section. In all other cases,  
14 an amendment adopted pursuant to this ~~paragraph~~ subparagraph  
15 is not effective until twelve months after the adoption of  
16 the amendment and does not apply to any business combination  
17 between the corporation and any person who became an interested  
18 shareholder of the corporation on or prior to such adoption.  
19     (b) An amendment to the bylaws adopted pursuant to this  
20 ~~paragraph~~ subparagraph shall not be further amended by the  
21 board of directors.  
22     ~~e-~~ (5) A shareholder becomes an interested shareholder  
23 inadvertently and both of the following apply:  
24     ~~(1)~~ (a) As soon as practicable the shareholder divests  
25 itself of ownership of sufficient shares so that the  
26 shareholder ceases to be an interested shareholder.  
27     ~~(2)~~ (b) The shareholder would not, at any time within the  
28 three-year period immediately prior to a business combination  
29 between the corporation and such shareholder, have been an  
30 interested shareholder but for the inadvertent acquisition of  
31 ownership.  
32     ~~f-~~ ~~(1)~~ (6) (a) The business combination is proposed prior  
33 to the consummation or abandonment of and subsequent to the  
34 earlier of the public announcement or the notice required in  
35 this ~~paragraph~~ subparagraph of a proposed transaction which

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1 satisfies all of the following:  
2     ~~(a)~~ (i) Constitutes a transaction described in  
3 ~~subparagraph (2)~~ subparagraph division (b).  
4     ~~(b)~~ (ii) Is with or by a person who either was not an  
5 interested shareholder during the previous three years or who  
6 became an interested shareholder with the approval of the  
7 corporation's board of directors or who became an interested  
8 shareholder during the time period described in ~~paragraph "g"~~  
9 subparagraph (7).  
10    ~~(c)~~ (iii) Is approved or not opposed by a majority of  
11 the members of the board of directors then in office who  
12 were directors prior to any person becoming an interested  
13 shareholder during the previous three years, or who were  
14 recommended for election or elected to succeed such directors  
15 by a majority of such directors.  
16    ~~(2)~~ (b) A proposed transaction under subparagraph ~~(1)~~  
17 division (a) is limited to the following:  
18     ~~(a)~~ (i) A merger of the corporation, other than a merger  
19 pursuant to section 490.1105.  
20     ~~(b)~~ (ii) A sale, lease, exchange, mortgage, pledge,  
21 transfer, or other disposition, in one or more transactions  
22 and whether as part of a dissolution or otherwise, of assets  
23 of the corporation or of any direct or indirect majority-owned  
24 subsidiary of the corporation, other than to a direct or  
25 indirect wholly owned subsidiary of the corporation or to  
26 the corporation itself, which has an aggregate market value  
27 equal to fifty percent or more of either the aggregate market  
28 value of all of the assets of the corporation determined on a  
29 consolidated basis, or the aggregate market value of all the  
30 outstanding stock of the corporation.  
31     ~~(c)~~ (iii) A proposed tender or exchange offer for fifty  
32 percent or more of the outstanding voting stock of the  
33 corporation.  
34    ~~(3)~~ (c) The corporation shall give no less than twenty  
35 days' notice to all interested shareholders prior to

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1 the consummation of any of the transactions described in  
2 subparagraph ~~(2)~~ division (b), subparagraph ~~division (a) or (b)~~  
3 subdivision (i) or (ii).

4 ~~g-~~ (7) The business combination is with an interested  
5 shareholder who becomes an interested shareholder of the  
6 corporation at a time when the corporation is not subject  
7 to this section pursuant to ~~paragraph "a", "b", "c", or~~  
8 ~~"d"~~ subparagraph (1), (2), (3), or (4).

9 b. Notwithstanding ~~paragraphs "a" through "d"~~  
10 paragraph "a", subparagraphs (1) through (4), a corporation  
11 may elect under its original articles of incorporation  
12 or any amendment to such articles to be subject to this  
13 section. However, such amendment shall not apply to restrict a  
14 business combination between the corporation and an interested  
15 shareholder of the corporation if the interested shareholder  
16 became such prior to the effective date of the amendment.

17 Sec. 89. Section 490.1110, subsection 3, paragraph e, Code  
18 2011, is amended to read as follows:

19 *e.* *"Interested shareholder"* means any person, other than  
20 the corporation and any direct or indirect majority-owned  
21 subsidiary of the corporation, that is the owner of ten percent  
22 or more of the outstanding voting stock of the corporation, or  
23 is an affiliate or associate of the corporation and was the  
24 owner of ten percent or more of the outstanding voting stock  
25 of the corporation at any time within the three-year period  
26 immediately prior to the date on which it is sought to be  
27 determined whether such person is an interested shareholder,  
28 and the affiliates and associates of such person. *"Interested*  
29 *shareholder"* does not include a person whose ownership of shares  
30 in excess of the ten percent limitation is the result of action  
31 taken solely by the corporation, provided that such person  
32 is an interested shareholder if, after such action by the  
33 corporation, the person acquires additional shares of voting  
34 stock of the corporation, other than as a result of further  
35 corporate action not caused, directly or indirectly, by such

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1 person. For purposes of determining whether a person is an  
2 interested shareholder, the outstanding voting stock of the  
3 corporation does not include any other unissued stock of the  
4 corporation which may be issuable pursuant to any agreement,  
5 arrangement, or understanding, or upon exercise of conversion  
6 rights, warrants, or options, or otherwise.

7 ~~For purposes of determining whether a person is an~~  
8 ~~interested shareholder, the outstanding voting stock of the~~  
9 ~~corporation does not include any other unissued stock of the~~  
10 ~~corporation which may be issuable pursuant to any agreement,~~  
11 ~~arrangement, or understanding, or upon exercise of conversion~~  
12 ~~rights, warrants, or options, or otherwise.~~

13 Sec. 90. Section 491.102, Code 2011, is amended to read as  
14 follows:

15 **491.102 Procedure for merger.**

16 1. Any two or more corporations whether heretofore or  
17 hereafter organized may merge into one of such corporations in  
18 the following manner: provided in this section.

19 2. The board of directors of each corporation shall, by  
20 resolution adopted by a majority vote of the members of each  
21 such board, approve a plan of mergers setting forth:

22 ~~1-~~ a. The names of the corporations proposing to merge, and  
23 the name of the corporation into which they propose to merge,  
24 which is hereinafter designated as the surviving corporation.

25 ~~2-~~ b. The terms and conditions of the proposed merger.

26 ~~3-~~ c. The manner and basis of converting the shares of  
27 each merging corporation into shares or other securities or  
28 obligations of the surviving corporation.

29 ~~4-~~ d. A statement of any changes in the articles of  
30 incorporation of the surviving corporation to be effected by  
31 such merger.

32 ~~5-~~ e. Such other provisions with respect to the proposed  
33 merger as are deemed necessary or desirable.

34 Sec. 91. Section 491.103, Code 2011, is amended to read as  
35 follows:

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1     **491.103 Procedure for consolidation.**

2     1. Any two or more corporations whether heretofore or  
3 hereafter organized may consolidate into a new corporation in  
4 the ~~following~~ manner: provided in this section.

5     2. The board of directors of each corporation, shall, by a  
6 resolution adopted by a majority vote of the members of each  
7 such board, approve a plan of consolidation setting forth:

8     ~~1-~~ a. The names of the corporations proposing to  
9 consolidate, and the name of the new corporation into which  
10 they propose to consolidate, which is hereinafter designated  
11 as the new corporation.

12    ~~2-~~ b. The terms and conditions of the proposed  
13 consolidation.

14    ~~3-~~ c. The manner and basis of converting the shares of each  
15 corporation into shares, or other securities, or obligations  
16 of the new corporation.

17    ~~4-~~ d. With respect to the new corporation, all of  
18 the statements required to be set forth in articles of  
19 incorporation for corporations organized under this chapter.

20    ~~5-~~ e. Such other provisions with respect to the proposed  
21 consolidation as are deemed necessary or desirable.

22    Sec. 92. Section 499.48, Code 2011, is amended to read as  
23 follows:

24     **499.48 Distribution in liquidation.**

25     1. On dissolution or liquidation, the assets of the  
26 association shall be used to pay liquidation expenses first,  
27 next the association's obligations other than patronage  
28 dividends or patronage dividend certificates which it has  
29 issued, and the remainder shall be distributed in the following  
30 priority:

31     ~~1-~~ a. To pay to each person the full amount originally  
32 paid by that person in cash for stock or other equity interest  
33 in the association.

34     ~~2-~~ b. To pay to each person in proportion to the total of  
35 each person's revolving fund, stock, or other equity interest

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1 in the association remaining after the payment under ~~subsection~~  
2 ~~1~~ paragraph "a".

3 2. In applying ~~subsections~~ subsection 1 and 2, paragraphs  
4 "a" and "b", all classes of stock, all revolving funds, and  
5 all other equity interests in the association shall be treated  
6 equally based on their stated values. However, an association  
7 may establish its own method of distributing the assets  
8 remaining, after paying liquidation expenses and obligations  
9 other than patronage dividends or patronage dividend  
10 certificates which it has issued, in articles of incorporation  
11 adopted, amended, or restated after July 1, 1986.

12 Sec. 93. Section 499.62, Code 2011, is amended to read as  
13 follows:

14 **499.62 Merger.**

15 1. Any two or more cooperative associations may merge into  
16 one cooperative association in the ~~following manner:~~ provided  
17 in this section.

18 2. The board of directors of each cooperative association  
19 shall, by resolution adopted by a majority vote of all members  
20 of each board, approve a plan of merger which shall set forth:

21 ~~1-~~ a. The names of the cooperative associations proposing  
22 to merge and the name of the surviving association.

23 ~~2-~~ b. The terms and conditions of the proposed merger.

24 ~~3-~~ c. A statement of any changes in the articles of  
25 incorporation of the surviving association.

26 ~~4-~~ d. Other provisions deemed necessary or desirable.

27 Sec. 94. Section 499.63, Code 2011, is amended to read as  
28 follows:

29 **499.63 Consolidation.**

30 1. Any two or more cooperative associations may be  
31 consolidated into a new cooperative association in the  
32 ~~following manner:~~ provided in this section.

33 2. The board of directors of each cooperative association  
34 shall, by resolution adopted by a majority vote of all members  
35 of each board, approve a plan of consolidation setting forth:

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1    ~~1-~~ a. The names of the cooperative associations proposing  
2 to consolidate and the name of the new association.  
3    ~~2-~~ b. The terms and conditions of the proposed  
4 consolidation.  
5    ~~3-~~ c. With respect to the new association, all of  
6 the statements required to be set forth in articles of  
7 incorporation for cooperative associations.  
8    ~~4-~~ d. Other provisions deemed necessary or desirable.  
9    Sec. 95. Section 499.68, unnumbered paragraphs 1 and 2, Code  
10 2011, are amended to read as follows:  
11    A merger or consolidation shall become effective upon the  
12 date that the certificate of merger or the certificate of  
13 consolidation is issued by the secretary of state, or the  
14 effective date specified in the articles of merger or articles  
15 of consolidation, whichever is later. When a merger or  
16 consolidation has become effective:  
17    ~~When a merger or consolidation has become effective:~~  
18    Sec. 96. Section 499.69, Code 2011, is amended to read as  
19 follows:  
20    **499.69 Foreign and domestic mergers or consolidations.**  
21    1. One or more foreign cooperative associations and one  
22 or more domestic cooperative associations may be merged  
23 or consolidated in the following manner, if such merger or  
24 consolidation is permitted by the laws of the state under which  
25 each foreign cooperative association is organized:  
26    ~~1-~~ a. Each domestic cooperative association shall comply  
27 with the provisions of this division with respect to the merger  
28 or consolidation of domestic cooperative associations, and  
29 each foreign cooperative association shall comply with the  
30 applicable provisions of the laws of the state under which it  
31 is organized.  
32    ~~2-~~ b. If the surviving or new association is to be governed  
33 by the laws of any state other than this state, it shall comply  
34 with the provisions of the laws of this state with respect to  
35 the qualifications of foreign cooperative associations if it is

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1 to transact business in this state, and in every case it shall  
2 file with the secretary of state of this state:

3 ~~a-~~ (1) An agreement that it may be served with process  
4 in this state in any proceeding for the enforcement of any  
5 obligation of any domestic cooperative association which is a  
6 party to the merger or consolidation, and in any proceeding  
7 for the enforcement of the rights of a dissenting shareholder  
8 of any such domestic cooperative association, against the  
9 surviving or new association.

10 ~~b-~~ (2) An irrevocable appointment of the secretary of state  
11 of this state as its agent to accept service of process in any  
12 proceeding.

13 ~~c-~~ (3) An agreement that it will promptly pay to the  
14 dissenting shareholders of any domestic cooperative association  
15 the amount to which they are entitled under the provisions of  
16 this division with respect to the rights of dissenters.

17 2. The effect of such merger or consolidation shall be the  
18 same as the effect of the merger or consolidation of domestic  
19 cooperative associations, if the surviving or new association  
20 is to be governed by the laws of this state. If the surviving  
21 or new association is to be governed by the laws of any other  
22 state, the effect of merger or consolidation shall be the same  
23 as in the case of the merger or consolidation of domestic  
24 cooperative associations, except as the laws of the other state  
25 otherwise provide.

26 Sec. 97. Section 499A.22, subsections 1, 2, and 3, Code  
27 2011, are amended to read as follows:

28 1. a. The cooperative has a lien on a member's interest in  
29 the cooperative for all operating charges or other assessments  
30 payable by the member pursuant to the member's proprietary  
31 lease from the time the operating charge or other assessment  
32 becomes due. If carrying charges and assessments are payable  
33 in installments, the full amount of the charge or assessment is  
34 a lien from the first time the first installment becomes due.  
35 Upon nonpayment of a carrying charge or assessment, the member

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1 may be evicted from the member's apartment unit in the same  
2 manner as provided by law in the case of an unlawful holdover  
3 by a tenant and the lien may be foreclosed by judicial sale in  
4 like manner as a mortgage on real estate, or may be foreclosed  
5 by the power of sale provided in this section.

6 b. A lien under this section is prior to all other liens and  
7 encumbrances on a member's cooperative interest except liens  
8 and encumbrances on the cooperative's real property which the  
9 cooperative creates, assumes, or takes subject to, and liens  
10 for real estate taxes and other governmental assessments or  
11 charges against the cooperative or the member's cooperative  
12 interest.

13 2. The cooperative, upon a member's nonpayment of carrying  
14 charges and assessments and the cooperative's compliance with  
15 this section, may sell the defaulting member's cooperative  
16 interest. Sale may be at a public sale or by private  
17 negotiation, and at any time and place, but every aspect of  
18 the sale, including the method, advertising, time, place, and  
19 terms must be reasonable. The cooperative shall give to the  
20 member and any sublessees of the member reasonable written  
21 notice of the time and place of a public sale or, if a private  
22 sale is intended, of the intention of entering into a contract  
23 to sell and of the time after which a private disposition may  
24 be made. The same notice shall also be sent to any other  
25 person who has a recorded interest in the defaulting member's  
26 cooperative interest which would be extinguished by the sale.  
27 The notices required by this ~~paragraph~~ subsection may be sent  
28 to any address reasonable under the circumstances. Sale may  
29 not be held until five weeks after the sending of the notice.  
30 The cooperative may buy at a public sale, and, if the sale is  
31 conducted by a fiduciary or other person not related to the  
32 cooperative, at a private sale.

33 3. a. The proceeds of a sale under the preceding ~~paragraph~~  
34 subsection shall be applied in the following order:

35 ~~a.~~ (1) The reasonable expenses of sale.

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1    ~~b.~~ (2) The reasonable expenses of securing possession  
2 before sale, and the reasonable expenses of holding,  
3 maintaining, and preparing the cooperative interest for sale.  
4 These expenses include, but are not limited to, the payment of  
5 taxes and other governmental charges, premiums on liability  
6 insurance, and to the extent provided for by agreement between  
7 the cooperative and the member, reasonable attorney fees and  
8 other legal expenses incurred by the cooperative.

9    ~~c.~~ (3) Satisfaction of the cooperative's lien.

10   ~~d.~~ (4) Satisfaction in the order of priority of any  
11 subordinate claim of record.

12   ~~e.~~ (5) Remittance of any excess to the member.

13    b. Unless otherwise agreed, the member is liable for any  
14 deficiency.

15    Sec. 98. Section 501.618, unnumbered paragraphs 1 and 2,  
16 Code 2011, are amended to read as follows:

17    A merger or consolidation shall become effective upon the  
18 date that the certificate of merger or the certificate of  
19 consolidation is issued by the secretary of state, or the  
20 effective date specified in the articles of merger or articles  
21 of consolidation, whichever is later. When a merger or  
22 consolidation has become effective:

23    ~~When a merger or consolidation has become effective:~~

24    Sec. 99. Section 501A.715, subsection 2, paragraph a,  
25 subparagraph (2), subparagraph division (b), Code 2011, is  
26 amended to read as follows:

27    (b) In the case of an act or omission occurring in the  
28 official capacity described in subsection 1, paragraph  
29 "a", subparagraph (3), the person reasonably believed that  
30 the conduct was not opposed to the best interests of the  
31 cooperative. If the person's acts or omissions complained of  
32 in the proceeding relate to conduct as a director, officer,  
33 trustee, employee, or agent of an employee benefit plan, the  
34 conduct is not considered to be opposed to the best interests  
35 of the cooperative if the person reasonably believed that

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1 the conduct was in the best interests of the participants or  
2 beneficiaries of the employee benefit plan.

3 ~~If the person's acts or omissions complained of in the~~  
4 ~~proceeding relate to conduct as a director, officer, trustee,~~  
5 ~~employee, or agent of an employee benefit plan, the conduct~~  
6 ~~is not considered to be opposed to the best interests of the~~  
7 ~~cooperative if the person reasonably believed that the conduct~~  
8 ~~was in the best interests of the participants or beneficiaries~~  
9 ~~of the employee benefit plan.~~

10 Sec. 100. Section 502A.3, Code 2011, is amended to read as  
11 follows:

12 **502A.3 Exempt person transactions.**

13 1. The prohibitions in section 502A.2 do not apply to a  
14 transaction in which any of the following persons, or any  
15 employee, officer, or director of a listed person acting solely  
16 in that capacity, is the purchaser or seller:

17 ~~1-~~ a. A person registered with the commodity futures  
18 trading commission as a futures commission merchant or as a  
19 leverage transaction merchant whose activities require such  
20 registration.

21 ~~2-~~ b. A person registered with the securities and exchange  
22 commission as a broker-dealer whose activities require such  
23 registration.

24 ~~3-~~ c. A person affiliated with, and whose obligations and  
25 liabilities under the transaction are guaranteed by, a person  
26 referred to in ~~subsection 1 or 2~~ paragraph "a" or "b".

27 ~~4-~~ d. A person who is a member of a contract market  
28 designated by the commodity futures trading commission, or any  
29 CFTC clearinghouse.

30 ~~5-~~ e. A financial institution.

31 ~~6-~~ f. A person registered under the laws of this state  
32 as a securities broker-dealer whose activities require such  
33 registration.

34 2. This exemption provided by this section does not apply  
35 to any transaction or activity which is prohibited by the

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1 Commodity Exchange Act or CFTC rule.

2 Sec. 101. Section 507B.4, Code 2011, is amended to read as  
3 follows:

4 **507B.4 Unfair methods of competition and unfair or deceptive**  
5 **acts or practices defined.**

6 1. For purposes of subsection 3, paragraph "p", "insurer"  
7 means an entity providing a plan of health insurance, health  
8 care benefits, or health care services, or an entity subject  
9 to the jurisdiction of the commissioner performing utilization  
10 review, including an insurance company offering sickness and  
11 accident plans, a health maintenance organization, an organized  
12 delivery system authorized under 1993 Iowa Acts, ch. 158, and  
13 licensed by the department of public health, a nonprofit health  
14 service corporation, a plan established pursuant to chapter  
15 509A for public employees, or any other entity providing a  
16 plan of health insurance, health care benefits, or health care  
17 services. However, "insurer" does not include an entity that  
18 sells disability income or long-term care insurance.

19 2. For purposes of subsection 3, paragraphs "k", "l", and  
20 "m", "personal lines property and casualty insurance" means  
21 insurance sold to individuals and families primarily for  
22 noncommercial purposes as provided in chapter 522B.

23 3. The following are hereby defined as unfair methods of  
24 competition and unfair or deceptive acts or practices in the  
25 business of insurance:

26 ~~1-~~ a. Misrepresentations and false advertising of insurance  
27 policies. Making, issuing, circulating, or causing to be made,  
28 issued or circulated, any estimate, illustration, circular,  
29 statement, sales presentation, omission, or comparison which  
30 does any of the following:

31 ~~a-~~ (1) Misrepresents the benefits, advantages, conditions,  
32 or terms of any insurance policy.

33 ~~b-~~ (2) Misrepresents the dividends or share of the surplus  
34 to be received on any insurance policy.

35 ~~c-~~ (3) Makes any false or misleading statements as to the

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1 dividends or share of surplus previously paid on any insurance  
2 policy.

3 ~~d.~~ (4) Is misleading or is a misrepresentation as to the  
4 financial condition of any person, or as to the legal reserve  
5 system upon which any life insurer operates.

6 ~~e.~~ (5) Uses any name or title of any insurance policy or  
7 class of insurance policies misrepresenting the true nature  
8 thereof.

9 ~~f.~~ (6) Is a misrepresentation for the purpose of inducing  
10 or tending to induce the lapse, forfeiture, exchange,  
11 conversion, or surrender of any insurance policy.

12 ~~g.~~ (7) Is a misrepresentation for the purpose of effecting  
13 a pledge or assignment of or effecting a loan against any  
14 insurance policy.

15 ~~h.~~ (8) Misrepresents any insurance policy as being shares  
16 of stock.

17 ~~i.~~ (9) Misrepresents any insurance policy to consumers  
18 by using the terms "burial insurance", "funeral insurance",  
19 "burial plan", or "funeral plan" in its names or titles, unless  
20 the policy is made with a funeral provider as beneficiary who  
21 specifies and fixes a price under contract with an insurance  
22 company. This ~~paragraph~~ subparagraph does not prevent insurers  
23 from stating or advertising that insurance benefits may provide  
24 cash for funeral or burial expenses.

25 ~~j.~~ (10) Is a misrepresentation, including any intentional  
26 misquote of premium rate, for the purpose of inducing or  
27 tending to induce the purchase of an insurance policy.

28 ~~2.~~ b. *False information and advertising.*

29 ~~a.~~ (1) *Generally.* Making, publishing, disseminating,  
30 circulating, or placing before the public, or causing, directly  
31 or indirectly, to be made, published, disseminated, circulated,  
32 or placed before the public in a newspaper, magazine, or other  
33 publication, or in the form of a notice, circular, pamphlet,  
34 letter, or poster, or over any radio or television station, or  
35 in any other way, an advertisement, announcement, or statement

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1 containing any assertion, representation, or statement with  
2 respect to the business of insurance or with respect to any  
3 person in the conduct of the person's insurance business, which  
4 is untrue, deceptive, or misleading.

5 ~~b.~~ (2) *False statement of assets.* In the case of a company  
6 transacting the business of fire insurance within the state,  
7 stating or representing by advertisement in any newspaper,  
8 magazine, or periodical, or by any sign, circular, card, policy  
9 of insurance, or renewal certificate thereof or otherwise, that  
10 any funds or assets are in its possession and held available  
11 for the protection of holders of its policies unless so held,  
12 except the policy of insurance or certificate of renewal  
13 thereof may state, as a single item, the amount of capital  
14 set forth in the charter, or articles of incorporation, or  
15 association, or deed of settlement under which it is authorized  
16 to transact business.

17 ~~c.~~ (3) *Statement of capital and surplus.* In the case of a  
18 foreign company transacting the business of casualty insurance  
19 in the state, or an officer, producer, or representative of  
20 such a company, issuing or publishing an advertisement, public  
21 announcement, sign, circular, or card that purports to disclose  
22 the company's financial standing and fails to exhibit: the  
23 capital actually paid in cash, and the amount of net surplus  
24 of assets over all the company's liabilities actually held  
25 and available for the payment of losses by fire and for the  
26 protection of holders of fire policies; and the amount of net  
27 surplus of assets over all liabilities in the United States  
28 actually available for the payment of losses by fire and held  
29 in the United States for the protection of holders of fire  
30 policies in the United States, including in such liabilities  
31 the fund reserved for reinsurance of outstanding risks. The  
32 amounts stated for capital and net surplus shall correspond  
33 with the latest verified statement made by the company or  
34 association to the commissioner of insurance.

35 ~~3.~~ c. *Defamation.* Making, publishing, disseminating,

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1 or circulating, directly or indirectly, or aiding, abetting  
2 or encouraging the making, publishing, disseminating, or  
3 circulating of any oral or written statement or any pamphlet,  
4 circular, article or literature which is false, or maliciously  
5 critical of or derogatory to the financial condition of any  
6 person, and which is calculated to injure such person.

7 ~~4.~~ d. *Boycott, coercion and intimidation.* Entering into  
8 any agreement to commit, or by any concerted action committing,  
9 any act of boycott, coercion or intimidation resulting in or  
10 tending to result in unreasonable restraint of, or monopoly in,  
11 the business of insurance.

12 ~~5.~~ e. *False statements and entries.*

13 ~~a.~~ (1) Knowingly filing with any supervisory or  
14 other public official, or knowingly making, publishing,  
15 disseminating, circulating or delivering to any person, or  
16 placing before the public, or knowingly causing directly or  
17 indirectly, to be made, published, disseminated, circulated,  
18 delivered to any person, or placed before the public, any false  
19 material statement of fact as to the financial condition of a  
20 person.

21 ~~b.~~ (2) Knowingly making any false entry of a material fact  
22 in any book, report or statement of any person or knowingly  
23 omitting to make a true entry of any material fact pertaining  
24 to the business of such person in any book, report or statement  
25 of such person.

26 ~~6.~~ f. *Stock operations and advisory board contracts.*

27 Issuing or delivering or permitting agents, officers or  
28 employees to issue or deliver, agency company stock or other  
29 capital stock, or benefit certificates or shares in any common  
30 law corporation, or securities or any special or advisory board  
31 contracts or other contracts of any kind promising returns and  
32 profits as an inducement to insurance.

33 ~~7.~~ g. *Unfair discrimination.*

34 ~~a.~~ (1) Making or permitting any unfair discrimination  
35 between individuals of the same class and equal expectation of

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1 life in the rates charged for any contract of life insurance or  
2 of life annuity or in the dividends or other benefits payable  
3 thereon, or in any other of the terms and conditions of such  
4 contract.

5 ~~b.~~ (2) Making or permitting any unfair discrimination  
6 between insureds of the same class for essentially the same  
7 hazard in the amount of premium, policy fees, or rates charged  
8 for any policy or contract of insurance other than life or in  
9 the benefits payable thereunder, or in any of the terms or  
10 conditions of such contract, or in any other manner whatever.

11 ~~c.~~ (3) Making or permitting any discrimination in the sale  
12 of insurance solely on the basis of domestic abuse as defined  
13 in section 236.2.

14 ~~8.~~ h. *Release or use of genetic information.* Failure of a  
15 person to comply with section 729.6, subsection 4.

16 ~~9.~~ i. *Rebates.*

17 ~~a.~~ (1) Except as otherwise expressly provided by law,  
18 knowingly permitting or offering to make or making any  
19 contract of life insurance, life annuity or accident and health  
20 insurance, or agreement as to such contract other than as  
21 plainly expressed in the contract issued thereon, or paying  
22 or allowing, or giving or offering to pay, allow, or give,  
23 directly or indirectly, as inducement to such insurance, or  
24 annuity, any rebate of premiums payable on the contract, or any  
25 special favor or advantage in the dividends or other benefits  
26 thereon, or any valuable consideration or inducement whatever  
27 not specified in the contract; or giving, or selling, or  
28 purchasing or offering to give, sell, or purchase as inducement  
29 to such insurance or annuity or in connection therewith, any  
30 stocks, bonds, or other securities of any insurance company  
31 or other corporation, association, or partnership, or any  
32 dividends or profits accrued thereon, or any thing of value  
33 whatsoever not specified in the contract.

34 ~~b.~~ (2) Nothing in ~~subsection 7~~ paragraph "g" or paragraph  
35 ~~"a"~~ subparagraph (1) of this ~~subsection~~ paragraph "i" shall be

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1 construed as including within the definition of discrimination  
2 or rebates any of the following practices:

3    ~~(1)~~ (a) In the case of any contract of life insurance or  
4 life annuity, paying bonuses to policyholders or otherwise  
5 rebating their premiums in whole or in part out of surplus  
6 accumulated from nonparticipating insurance, provided that  
7 any such bonuses or rebatement of premiums shall be fair and  
8 equitable to policyholders and for the best interests of the  
9 company and its policyholders.

10   ~~(2)~~ (b) In the case of life insurance policies issued on  
11 the industrial debit plan, making allowance to policyholders  
12 who have continuously for a specified period made premium  
13 payments directly to an office of the insurer in an amount  
14 which fairly represents the saving in collection expenses.

15   ~~(3)~~ (c) Readjustment of the rate of premium for a group  
16 insurance policy based on the loss or expense experienced  
17 thereunder, at the end of the first or any subsequent policy  
18 year of insurance thereunder, which may be made retroactive  
19 only for such policy year.

20   ~~e-~~ (3) (a) Paying, allowing, or giving, or offering to  
21 pay, allow, or give, directly or indirectly, as an inducement  
22 to purchase or acquire insurance other than life insurance,  
23 life annuity, or accident and health insurance, or after  
24 insurance has been effected, any rebate, discount, abatement,  
25 credit, or reduction of the premium named in a policy of  
26 insurance, or any special favor or advantage in the dividends  
27 or other benefits to accrue on the policy, or any valuable  
28 consideration or inducement, not specified in the policy,  
29 except to the extent provided for in an applicable filing.  
30 An insured named in a policy, or an employee of the insured,  
31 shall not knowingly receive or accept, directly or indirectly,  
32 any rebate, discount, abatement, credit, or reduction of  
33 premium, or any such special favor or advantage or valuable  
34 consideration or inducement.

35   (b) This ~~paragraph~~ <sup>~c~</sup> subparagraph (3) shall not be

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1 construed to prohibit the payment of commissions or other  
2 compensation to duly licensed producers, or to prohibit  
3 any insurer from allowing or returning to its participating  
4 policyholders, members, or subscribers, dividends, savings, or  
5 unabsorbed premium deposits. As used in this ~~paragraph "c"~~  
6 subparagraph (3), "insurance" includes suretyship and "policy"  
7 includes bond.

8 ~~10.~~ j. *Unfair claim settlement practices.* Committing  
9 or performing with such frequency as to indicate a general  
10 business practice any of the following:

11 ~~a.~~ (1) Misrepresenting pertinent facts or insurance policy  
12 provisions relating to coverages of issue.

13 ~~b.~~ (2) Failing to acknowledge and act reasonably promptly  
14 upon communications with respect to claims arising under  
15 insurance policies.

16 ~~c.~~ (3) Failing to adopt and implement reasonable standards  
17 for the prompt investigation of claims arising under insurance  
18 policies.

19 ~~d.~~ (4) Refusing to pay claims without conducting a  
20 reasonable investigation based upon all available information.

21 ~~e.~~ (5) Failing to affirm or deny coverage of claims within  
22 a reasonable time after proof of loss statements have been  
23 completed.

24 ~~f.~~ (6) Not attempting in good faith to effectuate prompt,  
25 fair, and equitable settlements of claims in which liability  
26 has become reasonably clear, or failing to include interest on  
27 the payment of claims when required under ~~subsection 16~~  
28 paragraph "p" or section 511.38.

29 ~~g.~~ (7) Compelling insureds to institute litigation to  
30 recover amounts due under an insurance policy by offering  
31 substantially less than the amounts ultimately recovered in  
32 actions brought by such insureds.

33 ~~h.~~ (8) Attempting to settle a claim for less than the  
34 amount to which a reasonable person would have believed  
35 the person was entitled by reference to written or printed





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1 advertising material accompanying or made part of an  
2 application.  
3 ~~+~~ (9) Attempting to settle claims on the basis of an  
4 application which was altered without notice to, or knowledge  
5 or consent of the insured.  
6 ~~+~~ (10) Making claims payments to insureds or beneficiaries  
7 not accompanied by a statement setting forth the coverage under  
8 which payments are being made.  
9 ~~+~~ (11) Making known to insureds or claimants a policy  
10 of appealing from arbitration awards in favor of insureds  
11 or claimants for the purpose of compelling them to accept  
12 settlements or compromises less than the amount awarded in  
13 arbitration.  
14 ~~+~~ (12) Delaying the investigation or payment of claims  
15 by requiring an insured, claimant, or the physician of either  
16 to submit a preliminary claim report and then requiring the  
17 subsequent submission of formal proof of loss forms, both of  
18 which submissions contain substantially the same information.  
19 ~~m~~ (13) Failing to promptly settle claims, where liability  
20 has become reasonably clear, under one portion of the insurance  
21 policy coverage in order to influence settlements under other  
22 portions of the insurance policy coverage.  
23 ~~m~~ (14) Failing to promptly provide a reasonable  
24 explanation of the basis in the insurance policy in relation  
25 to the facts or applicable law for denial of a claim or for the  
26 offer of a compromise settlement.  
27 ~~o~~ (15) Failing to comply with the procedures for auditing  
28 claims submitted by health care providers as set forth by rule  
29 of the commissioner. However, this ~~paragraph~~ subparagraph  
30 shall have no applicability to liability insurance, workers'  
31 compensation or similar insurance, automobile or homeowners'  
32 medical payment insurance, disability income, or long-term care  
33 insurance.  
34 ~~h~~ k. *Use of inquiries.* Considering either of the  
35 following events for purposes of surcharging, declining,

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1 nonrenewing, or canceling personal lines property and casualty  
2 insurance coverage or a binder for personal lines property and  
3 casualty insurance coverage:

4 ~~a.~~ (1) An applicant's or insured's inquiry into the type  
5 or level of coverage of a policy, or an inquiry into whether a  
6 policy will cover a loss.

7 ~~b.~~ (2) An insured's inquiry regarding coverage of a policy  
8 for a loss if the insured does not file a claim.

9 ~~12.~~ 1. *History of a property.* Declining to insure a  
10 property not previously owned by an applicant for personal  
11 lines property and casualty insurance, based solely on the loss  
12 history of a previous owner of the property, unless the insurer  
13 can provide evidence that the previous owner did not repair  
14 damage to the property.

15 ~~13.~~ m. *Disclosure of use of claims history.* Failing  
16 to inform an applicant at the time that an application for  
17 personal lines property and casualty insurance is made, in  
18 writing or in the same medium as the application is made, that  
19 the insurer will consider the applicant's or insured's claims  
20 history in determining whether to decline, cancel, nonrenew,  
21 or surcharge such a policy, and that a claim made by an insured  
22 will be reported to an insurance support organization.

23 ~~14.~~ n. *Misrepresentation in insurance applications.* Making  
24 false or fraudulent statements or representations on or  
25 relative to an application for an insurance policy, for the  
26 purpose of obtaining a fee, commission, money, or other benefit  
27 from any insurer, agent, broker, or individual.

28 ~~15.~~ o. *Omission from insurance application.* Failing to  
29 designate on an insurance policy application the licensee who  
30 has solicited and written the policy.

31 ~~16.~~ p. *Payment of interest.* Failure of an insurer to pay  
32 interest at the rate of ten percent per annum on all health  
33 insurance claims that the insurer fails to timely accept and  
34 pay pursuant to section 507B.4A, subsection 2, paragraph "d".  
35 Interest shall accrue commencing on the thirty-first day after

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1 receipt of all properly completed proof of loss forms.

2 ~~For purposes of this subsection, "insurer" means an entity~~  
3 ~~providing a plan of health insurance, health care benefits, or~~  
4 ~~health care services, or an entity subject to the jurisdiction~~  
5 ~~of the commissioner performing utilization review, including~~  
6 ~~an insurance company offering sickness and accident plans, a~~  
7 ~~health maintenance organization, an organized delivery system~~  
8 ~~authorized under 1993 Iowa Acts, ch. 158, and licensed by~~  
9 ~~the department of public health, a nonprofit health service~~  
10 ~~corporation, a plan established pursuant to chapter 509A~~  
11 ~~for public employees, or any other entity providing a plan~~  
12 ~~of health insurance, health care benefits, or health care~~  
13 ~~services. However, "insurer" does not include an entity that~~  
14 ~~sells disability income or long-term care insurance.~~

15 ~~17. q. Rating organizations.~~ Any violation of section  
16 515F.16.

17 ~~18. r. Minor traffic violations.~~ Failure of a person to  
18 comply with section 516B.3.

19 ~~19. s. Information.~~ Failing or refusing to furnish any  
20 policyholder or applicant, upon reasonable request, information  
21 to which that individual is entitled.

22 ~~For purposes of subsections 11, 12, and 13, "personal lines~~  
23 ~~property and casualty insurance" means insurance sold to~~  
24 ~~individuals and families primarily for noncommercial purposes~~  
25 ~~as provided in chapter 522B.~~

26 Sec. 102. Section 507C.2, subsection 15, Code 2011, is  
27 amended to read as follows:

28 15. a. "Insolvency" or "insolvent" means any of the  
29 following:

30 ~~a.~~ (1) For an insurer issuing only assessable fire  
31 insurance policies, either of the following:

32 (1) (a) The inability to pay any obligation within thirty  
33 days after it becomes payable.

34 (2) (b) If an assessment is made, the inability to pay the  
35 assessment within thirty days following the date specified in

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1 the first assessment notice issued after the date of loss.  
2 ~~b-~~ (2) For any other insurer that it is unable to pay its  
3 obligations when they are due, or when its admitted assets do  
4 not exceed its liabilities plus the greater of:  
5 ~~(1)~~ (a) Any capital and surplus required by law for its  
6 organization.  
7 ~~(2)~~ (b) The total par or stated value of its authorized and  
8 issued capital stock.  
9 ~~c-~~ (3) As to an insurer licensed to do business in this  
10 state as of July 1, 1984, which does not meet the standard  
11 established under ~~paragraph "b"~~ subparagraph (2), the term  
12 "insolvency" or "insolvent" shall mean, for a period not to  
13 exceed three years from July 1, 1984, that it is unable to  
14 pay its obligations when they are due or that its admitted  
15 assets do not exceed its liabilities plus any required capital  
16 contribution ordered by the commissioner under provisions of  
17 the insurance law.  
18 b. For purposes of this subsection "liabilities" includes  
19 but is not limited to reserves required by statute or by  
20 the division's rules or specific requirements imposed by the  
21 commissioner upon a company at the time of or subsequent to  
22 admission.  
23 Sec. 103. Section 508.8, Code 2011, is amended to read as  
24 follows:  
25 **508.8 Insurance company officers — conflicts of interest —**  
26 **exceptions.**  
27 1. As used in this section, "employee" includes but is not  
28 limited to the officers of a life insurance company.  
29 2. A director or officer of a life insurance company shall  
30 not receive, in addition to fixed salary or compensation,  
31 money or other valuable thing, either directly or indirectly,  
32 or through a substantial interest in another corporation or  
33 business unit, for negotiating, procuring, recommending or  
34 aiding in the purchase or sale of property, or loan, made  
35 by the insurer or an affiliate or subsidiary of the insurer;

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1 nor shall a director or officer be pecuniarily interested,  
2 either as principal, coprincipal, agent or beneficiary, either  
3 directly or indirectly, or through a substantial interest in  
4 another corporation or business unit, in the purchase, sale  
5 or loan. However, a life insurance company, in connection  
6 with the relocation of the place of employment of an employee  
7 including relocation upon the initial employment of the  
8 employee, may do either of the following:

9 ~~1-~~ a. Make a mortgage loan on real property owned by the  
10 employee which is to serve as the employee's dwelling.

11 ~~2-~~ b. Acquire at not more than fair market value the  
12 dwelling which the employee vacates upon relocation.

13 ~~As used in this section, "employee" includes but is not~~  
14 ~~limited to the officers of a life insurance company.~~

15 Sec. 104. Section 508.36, subsection 3, paragraphs e and f,  
16 Code 2011, are amended to read as follows:

17 e. (1) For total and permanent disability benefits in or  
18 supplementary to ordinary policies or contracts, the following:

19 ~~(1)~~ (a) For policies or contracts issued on or after  
20 January 1, 1966, the tables of period 2 disablement rates and  
21 the 1930 to 1950 termination rates of the 1952 disability study  
22 of the society of actuaries, with due regard to the type of  
23 benefit, or any tables of disablement rates and termination  
24 rates adopted after 1980 by the national association of  
25 insurance commissioners and approved by rule adopted by the  
26 commissioner for use in determining the minimum standard of  
27 valuation for such policies.

28 ~~(2)~~ (b) For policies or contracts issued on or after  
29 January 1, 1961, and prior to January 1, 1966, either of the  
30 tables identified under subparagraph ~~(1)~~ division (a), or at  
31 the option of the company, the class (3) disability table  
32 (1926).

33 ~~(3)~~ (c) For policies issued prior to January 1, 1961, the  
34 class (3) disability table (1926).

35 (2) A table used under this paragraph "e" shall, for

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1 active lives, be combined with a mortality table permitted for  
2 calculating the reserves for life insurance policies.

3 *f.* (1) For accidental death benefits in or supplementary to  
4 policies, the following:

5 ~~(1)~~ (a) For policies issued on or after January 1, 1966,  
6 the 1959 accidental death benefits table, or any accidental  
7 death benefits table adopted after 1980 by the national  
8 association of insurance commissioners and approved by rule  
9 adopted by the commissioner for use in determining the minimum  
10 standard of valuation for such policies.

11 ~~(2)~~ (b) For policies issued on or after January 1, 1961,  
12 and prior to January 1, 1966, either of the tables identified  
13 under subparagraph ~~(1)~~ division (a), or at the option of the  
14 company, the intercompany double indemnity mortality table.

15 ~~(3)~~ (c) For policies issued prior to January 1, 1961, the  
16 intercompany double indemnity mortality table.

17 (2) A table used under this paragraph *f* shall be combined  
18 with a mortality table for calculating the reserves for life  
19 insurance policies.

20 Sec. 105. Section 508.37, subsection 5, paragraphs a and c,  
21 Code 2011, are amended to read as follows:

22 *a.* (1) This subsection does not apply to policies issued  
23 on or after the operative date of subsection 6 as defined  
24 in paragraph *k* of that subsection. Except as provided in  
25 paragraph *c*, the adjusted premiums for any policy shall  
26 be calculated on an annual basis and shall be such uniform  
27 percentage of the respective premiums specified in the policy  
28 for each policy year, excluding any extra premiums charged  
29 because of impairments or special hazards, that the present  
30 value, at the date of issue of the policy, of all such adjusted  
31 premiums is equal to the sum of the following:

32 ~~(1)~~ (a) The then present value of the future guaranteed  
33 benefits provided for by the policy.

34 ~~(2)~~ (b) Two percent of the amount of the insurance, if the  
35 insurance is uniform in amount, or of the equivalent uniform

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1 amount, as defined in paragraph "b", if the amount of insurance  
2 varies with duration of the policy.

3 ~~(3)~~ (c) Forty percent of the adjusted premium for the first  
4 policy year.

5 ~~(4)~~ (d) Twenty-five percent of either the adjusted premium  
6 for the first policy year or the adjusted premium for a whole  
7 life policy of the same uniform or equivalent uniform amount  
8 with uniform premiums for the whole of life issued at the same  
9 age for the same amount of insurance, whichever is less.

10 (2) However, in applying the percentages specified in  
11 ~~subparagraphs (3) and (4)~~ subparagraph divisions (c) and (d),  
12 no adjusted premium shall be deemed to exceed four percent of  
13 the amount of insurance or an equivalent uniform amount. The  
14 date of issue of a policy for the purpose of this subsection  
15 is the date as of which the rated age of the insured is  
16 determined.

17 c. The adjusted premiums for a policy providing term  
18 insurance benefits by rider or supplemental policy provision  
19 shall be equal to (1) the adjusted premiums for an otherwise  
20 similar policy issued at the same age without such term  
21 insurance benefits, increased during the period for which  
22 premiums for such term insurance benefits are payable, by (2)  
23 the adjusted premiums for such term insurance, the foregoing  
24 items (1) and (2) being calculated separately and as specified  
25 in paragraphs "a" and "b" of this subsection except that, for  
26 the purposes of ~~subparagraphs (2), (3), and (4)~~ of paragraph  
27 "a", subparagraph (1), subparagraph divisions (b), (c), and  
28 (d), the amount of insurance or equivalent uniform amount of  
29 insurance used in the calculation of the adjusted premiums  
30 referred to in item (2) in this paragraph shall be equal to the  
31 excess of the corresponding amount determined for the entire  
32 policy over the amount used in the calculation of the adjusted  
33 premiums in item (1) in this paragraph.

34 Sec. 106. Section 508.38, subsection 3, paragraphs a and b,  
35 Code 2011, are amended to read as follows:

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1     a.   (1)   The minimum nonforfeiture amount at any time at  
2 or prior to the commencement of any annuity payments shall be  
3 equal to an accumulation up to such time at rates of interest  
4 as indicated in paragraph "b" of the net considerations (as  
5 hereinafter defined) paid prior to such time, decreased by the  
6 sum of all of the following:

7     ~~(1)~~   (a)   Any prior withdrawals from or partial surrenders  
8 of the contract accumulated at rates of interest as indicated  
9 in paragraph "b".

10    ~~(2)~~   (b)   An annual contract charge of fifty dollars,  
11 accumulated at rates of interest as indicated in paragraph "b".

12    ~~(3)~~   (c)   The amount of any indebtedness to the company on  
13 the contract, including interest due and accrued.

14    (2)   The net considerations for a given contract year  
15 used to define the minimum nonforfeiture amount shall be an  
16 amount equal to eighty-seven and one-half percent of the gross  
17 considerations credited to the contract during the contract  
18 year.

19     b.   (1)   The interest rate used in determining minimum  
20 nonforfeiture amounts shall be an annual rate of interest  
21 determined as the lesser of three percent per annum and all of  
22 the following, which shall be specified in the contract if the  
23 interest rate will be reset:

24     ~~(1)~~   (a)   The five-year constant maturity treasury rate  
25 reported by the federal reserve as of a date, or average over a  
26 period, rounded to the nearest one-twentieth of one percent,  
27 specified in the contract no longer than fifteen months prior  
28 to the contract issue date or redetermination date under  
29 subparagraph ~~(4)~~ division (d).

30     ~~(2)~~   (b)   The result of subparagraph ~~(1)~~ division (a) shall  
31 be reduced by one hundred twenty-five basis points.

32     ~~(3)~~   (c)   The resulting interest guarantee shall not be less  
33 than one percent.

34     ~~(4)~~   (d)   The interest rate shall apply for an initial  
35 period and may be redetermined for additional periods. The

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1 redetermination date, basis, and period, if any, shall be  
2 stated in the contract. The basis is the date or average  
3 over a specified period that produces the value of the  
4 five-year constant maturity treasury rate to be used at each  
5 redetermination date.

6 (2) During the period or term that a contract provides  
7 substantive participation in an equity indexed benefit, it  
8 may increase the reduction described in subparagraph ~~(2)~~  
9 (1), subparagraph division (b), by up to an additional one  
10 hundred basis points to reflect the value of the equity index  
11 benefit. The present value at the contract issue date and  
12 at each redetermination date thereafter of the additional  
13 reduction shall not exceed the market value of the benefit.  
14 The commissioner may require a demonstration that the present  
15 value of the reduction does not exceed the market value of the  
16 benefit. Lacking such a demonstration that is acceptable to  
17 the commissioner, the commissioner may disallow or limit the  
18 additional reduction.

19 (3) The commissioner may adopt rules to implement the  
20 provisions of subparagraph ~~(4)~~ (1), subparagraph division (d),  
21 and to provide for further adjustments to the calculation  
22 of minimum nonforfeiture amounts for contracts that provide  
23 substantive participation in an equity index benefit and for  
24 other contracts that the commissioner determines adjustments  
25 are justified.

26 Sec. 107. Section 508C.12, subsection 1, paragraph a, Code  
27 Supplement 2011, is amended to read as follows:

28 a. (1) Notify the commissioners or insurance departments  
29 of other states or territories of the United States and the  
30 District of Columbia when any of the following actions against  
31 a member insurer is taken:

32 ~~(1)~~ (a) A license is revoked.

33 ~~(2)~~ (b) A license is suspended.

34 ~~(3)~~ (c) A formal order is made that a company restrict its  
35 premium writing, obtain additional contributions to surplus,

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1 withdraw from the state, reinsure all or any part of its  
2 business, or increase capital, surplus, or any other account  
3 for the security of policyholders or creditors.

4     (2) Notice shall be mailed to the commissioners or  
5 departments within thirty days following the earlier of when  
6 the action was taken or the date on which the action occurs.  
7 This subparagraph does not supersede section 507C.9, subsection  
8 5.

9     Sec. 108. Section 509.1, subsection 2, Code 2011, is amended  
10 to read as follows:

11     2. a. A policy issued to any one of the following to be  
12 considered the policyholder:

13     ~~a.~~ (1) An advisory, supervisory, or governing body or  
14 bodies of a regularly organized religious denomination to  
15 insure its clergy, priests, or ministers of the gospel.

16     ~~b.~~ (2) A teachers' association, to insure its members.

17     ~~c.~~ (3) A lawyers' association, to insure its members.

18     ~~d.~~ (4) A volunteer fire company, to insure all of its  
19 members.

20     ~~e.~~ (5) A fraternal society or association, or any  
21 subordinate lodge or branch thereof, to insure its members.

22     ~~f.~~ (6) A common principal of any group of persons similarly  
23 engaged between whom there exists a contractual relationship,  
24 to insure the members of such group.

25     ~~g.~~ (7) An association, the members of which are students,  
26 teachers, administrators or officials of any elementary or  
27 secondary school or of any college, to insure the members  
28 thereof. For the purpose of this ~~paragraph~~ subparagraph, the  
29 students, teachers, administrators or officials of or for any  
30 such school or college shall constitute an association.

31     b. ~~Provided that the~~ The provisions and requirements  
32 of subsection 1 ~~of this section~~ shall apply to ~~such the~~  
33 policy and the policyholder and insured in ~~like the same~~  
34 manner as ~~said subsection 1 of this section~~ applies to  
35 employers and employees, except that if a policy is issued

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1 to a volunteer fire company or an association, the members  
2 of which are students, teachers, administrators or officials  
3 of any elementary or secondary school or of any college, the  
4 requirement for twenty-five members shall not apply, and, if  
5 issued to a teachers' association or lawyers' association, not  
6 less than sixty-five percent of the members thereof may be  
7 insured.

8 Sec. 109. Section 509A.15, subsections 1 and 4, Code 2011,  
9 are amended to read as follows:

10 1. a. Within ninety days following the end of a fiscal  
11 year, the governing body of a self-insurance plan of a  
12 political subdivision or a school corporation shall file with  
13 the commissioner of insurance a certificate of compliance,  
14 actuarial opinion, and an annual financial report. The  
15 filing shall be accompanied by a fee of one hundred dollars.  
16 A penalty of fifteen dollars per day shall be assessed for  
17 failure to comply with the ninety-day filing requirement,  
18 except that the commissioner may waive the penalty upon a  
19 showing that special circumstances exist which justify the  
20 waiver. The certificate shall be signed and dated by the  
21 appropriate public official representing the governing body,  
22 and shall certify the following:

23 ~~a.~~ (1) That the plan meets the requirements of this chapter  
24 and the applicable provisions of the Iowa administrative code.

25 ~~b.~~ (2) That an actuarial opinion has been attached to  
26 the certificate which attests to the adequacy of reserves,  
27 rates, and financial condition of the plan. ~~The actuarial~~  
28 ~~opinion must include, but is not limited to, a brief commentary~~  
29 ~~about the adequacy of the reserves, rates, and the financial~~  
30 ~~condition of the plan, a test of the prior year claim reserve,~~  
31 ~~a brief description of how the reserves were calculated,~~  
32 ~~and whether or not the plan is able to cover all reasonably~~  
33 ~~anticipated expenses. The actuarial opinion shall be prepared,~~  
34 ~~signed, and dated by a person who is a member of the American~~  
35 ~~academy of actuaries. If necessary, the actuary should assist~~

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~~1 the public body in preparing the annual financial report. The~~  
~~2 annual financial report shall be in a format as prescribed by~~  
~~3 the commissioner.~~

4 ~~c.~~ (3) That a written complaint procedure has been  
5 implemented. The certificate shall also list the number of  
6 complaints filed by participants under the written complaint  
7 procedure, and the percentage of participants filing written  
8 complaints, in the prior fiscal year.

9 ~~d.~~ (4) That the governing body has contracted or otherwise  
10 arranged with a third-party administrator who holds a current  
11 certificate of registration issued by the commissioner pursuant  
12 to section 510.21, or with a person not required to obtain  
13 the certificate as a third-party administrator as defined in  
14 section 510.11, subsection 2.

15 b. The actuarial opinion must include but is not limited to  
16 a brief commentary about the adequacy of the reserves, rates,  
17 and the financial condition of the plan, a test of the prior  
18 year claim reserve, a brief description of how the reserves  
19 were calculated, and whether or not the plan is able to cover  
20 all reasonably anticipated expenses. The actuarial opinion  
21 shall be prepared, signed, and dated by a person who is a  
22 member of the American academy of actuaries.

23 c. If necessary, the actuary should assist the public body  
24 in preparing the annual financial report. The annual financial  
25 report shall be in a format as prescribed by the commissioner.

26 4. a. One or more political subdivisions of the state  
27 or one or more school corporations maintaining self-insured  
28 plans with yearly claims that do not exceed two percent of  
29 each entity's general fund budget shall be exempt from the  
30 requirements of this section where the plan insures employees  
31 for all or part of a deductible, coinsurance payments, drug  
32 costs, short-term disability benefits, vision benefits, or  
33 dental benefits.

34 b. The yearly claim amount shall be determined annually on  
35 the policy renewal date, or an alternative date established

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1 by rule, by a plan administrator or political subdivision  
2 or school corporation employee to be designated by the plan  
3 administrator. The exemption shall not apply for the year  
4 following a year in which yearly claims are determined to  
5 exceed two percent of the political subdivision's or school  
6 corporation's general fund budget.

7 Sec. 110. Section 511.8, unnumbered paragraphs 1 and 2, Code  
8 Supplement 2011, are amended to read as follows:

9 A company organized under chapter 508 shall, at all times,  
10 have invested in the securities provided in this section,  
11 funds equivalent to its legal reserve. Legal reserve is the  
12 net present value of all outstanding policies and contracts  
13 involving life contingencies. This section does not prohibit  
14 a company or association from holding a portion of its  
15 legal reserve in cash. The investment programs developed  
16 by companies shall take into account the safety of the  
17 company's principal, investment yield and return, stability  
18 in the value of the investment, and liquidity necessary to  
19 meet the company's expected business needs and investment  
20 diversification.

21 ~~The investment programs developed by companies shall take~~  
22 ~~into account the safety of the company's principal, investment~~  
23 ~~yield and return, stability in the value of the investment, and~~  
24 ~~liquidity necessary to meet the company's expected business~~  
25 ~~needs and investment diversification.~~

26 Sec. 111. Section 511.8, subsections 6, 8, 13, 15, 17, 19,  
27 and 20, Code Supplement 2011, are amended to read as follows:

28 6. *Preferred and guaranteed stocks.*

29 a. Subject to the restrictions contained in subsection  
30 8 hereof, preferred stocks of, or stocks guaranteed by, a  
31 corporation incorporated under the laws of the United States  
32 of America, or of any state, district, insular or territorial  
33 possession thereof; or of the Dominion of Canada, or any  
34 province thereof; and which meet the following qualifications:

35 ~~a.~~ (1) Preferred stocks.

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1    ~~(1)~~ (a) All of the obligations and preferred stocks of  
2 the issuing corporation, if any, prior to the preferred stock  
3 acquired must be eligible as investments under this section as  
4 of the date of acquisition; and

5    ~~(2)~~ (b) The net earnings available for fixed charges and  
6 preferred dividends of the issuing corporation shall have  
7 been, for each of the five fiscal years immediately preceding  
8 the date of acquisition, not less than one and one-half times  
9 the sum of the annual fixed charges and contingent interest,  
10 if any, and the annual preferred dividend requirements as of  
11 the date of acquisition; or at the date of acquisition the  
12 preferred stock has investment qualities and characteristics  
13 wherein speculative elements are not predominant.

14    (i) The term "*preferred dividend requirements*" shall mean  
15 cumulative or noncumulative dividends whether paid or not.

16    (ii) The term "*fixed charges*" shall be construed in  
17 accordance with subsection 5 ~~above~~.

18    (iii) The term "*net earnings available for fixed charges and*  
19 *preferred dividends*" as used herein shall mean the net income  
20 after deducting all operating and maintenance expenses, taxes,  
21 including any income taxes, depreciation and depletion, but  
22 nonrecurring items may be excluded.

23    ~~b.~~ (2) Guaranteed stocks.

24    ~~(1)~~ (a) All of the fixed interest-bearing obligations of  
25 the guaranteeing corporation, if any, must be eligible under  
26 this section as of the date of acquisition; and

27    ~~(2)~~ (b) The net earnings available for fixed charges  
28 of the guaranteeing corporation shall meet the requirements  
29 outlined in paragraph "a" of subsection 5 ~~above~~, except that all  
30 guaranteed dividends shall be included in "*fixed charges*".

31    b. Any investments in preferred stocks or guaranteed  
32 stocks made under the provisions of this subsection shall be  
33 considered as moneys and credits for purposes of taxation  
34 and their assessment shall be subject to deductions for  
35 indebtedness as provided by law in the case of assessment

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1 of moneys and credits in general. This provision shall be  
2 effective as to assessments made during the year 1947 and  
3 thereafter.

4 8. *Further restrictions.* Securities included under  
5 subsections 5, 6, and 7 shall not be eligible:

6 a. If the corporation is in default on fixed obligations as  
7 of the date of acquisition. Securities provided in ~~paragraph~~  
8 ~~"a"~~ of subsection 6, paragraph "a", subparagraph (1), shall  
9 not be eligible if the issuing corporation is in arrears with  
10 respect to the payment of any preferred dividends as of the  
11 date of acquisition.

12 b. The investments of any company or association in  
13 such securities shall not be eligible in excess of the  
14 following percentages of the legal reserve of such company or  
15 association:

16 (1) With the exception of public securities, two percent  
17 of the legal reserve in the securities of any one corporation.  
18 Five percent of the legal reserve in the securities of any one  
19 public utility corporation.

20 (2) Seventy-five percent of the legal reserve in the  
21 securities described in subsection 5 issued by other than  
22 public utility corporations. Fifty percent of the legal  
23 reserve in the securities described in subsection 5 issued by  
24 public utility corporations.

25 (3) Ten percent of the legal reserve in the securities  
26 described in subsection 6.

27 (4) Ten percent of the legal reserve in the securities  
28 described in subsection 7.

29 c. Statements adjusted to show the actual condition at  
30 the time of acquisition or the effect of new financing,  
31 known commercially as pro forma statements, may be used in  
32 determining whether investments under subsections 5 and 6 are  
33 in compliance with requirements. Statements so adjusted or  
34 consolidated statements may be used in order to include the  
35 earnings of all predecessor, merged, consolidated, or purchased



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1 companies.

2     *d.* In addition to the restrictions contained in paragraphs  
3     "*a*" and "*b*", the investments of any company or association in  
4 securities included under subsection 5, paragraph "*c*", are not  
5 eligible in excess of two percent of the legal reserve, but not  
6 more than one-eighth of one percent of the legal reserve shall  
7 be invested in the securities of any one corporation.

8     13. *Collateral loans.* Loans secured by collateral  
9 consisting of any securities qualified in this section,  
10 provided the amount of the loan is not in excess of ninety  
11 percent of the value of the securities. Provided further that  
12 subsection 8 shall apply to the collateral securities pledged  
13 to the payment of loans authorized in this subsection.

14     ~~Provided further that subsection 8 of this section shall~~  
15 ~~apply to the collateral securities pledged to the payment of~~  
16 ~~loans authorized in this subsection.~~

17     15. *Railroad obligations.*

18     *a.* Bonds or other evidences of indebtedness which carry a  
19 fixed rate of interest and are issued, assumed or guaranteed  
20 by any railroad company incorporated under the laws of the  
21 United States of America, or of any state, district, insular  
22 or territorial possessions thereof, not in reorganization or  
23 receivership at the time of such investment, provided that the  
24 railroad company:

25     ~~a.~~ (1) Shall have had for the three-year period immediately  
26 preceding investment, for which the necessary data for the  
27 railroad company shall have been published, a balance of income  
28 available for fixed charges which shall have averaged per year  
29 not less than one and one-quarter times the fixed charges for  
30 the latest year of the period; and

31     ~~b.~~ (2) Shall have had for the three-year period immediately  
32 preceding investment, for which the necessary data for both  
33 the railroad company and all class I railroads shall have been  
34 published:

35     ~~(1)~~ (a) A balance of income available for the payment of

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1 fixed charges at least as many times greater than the fixed  
2 charges for the latest year of the period as the balance of  
3 income available for the payment of fixed charges of all class  
4 I railroads for the same three-year period is times greater  
5 than the amount of all fixed charges for such class I railroads  
6 for the latest year of the period; and

7 ~~(2)~~ (b) An amount of railway operating revenues remaining  
8 after deduction of three times the fixed charges for the  
9 latest year of the period from the balance of income available  
10 for the payment of fixed charges for the three-year period,  
11 which amount is as great a proportion of its railway operating  
12 revenues for the same three-year period as is the proportion of  
13 railway operating revenues remaining for all class I railroads,  
14 determined in the same manner and for the same period as for  
15 the railroad.

16 b. The terms "*class I railroads*", "*balance of income*  
17 *available for the payment of fixed charges*", "*fixed charges*"  
18 and "*railway operating revenues*" when used in this subsection,  
19 are to be given the same meaning as in the accounting reports  
20 filed by a railroad company in accordance with the regulations  
21 for common carriers by rail of the Interstate Commerce Act,  
22 24 Stat. 379, codified at 49 U.S.C. § 1 - 40, 1001 - 1100,  
23 provided that the "*balance of income available for the payment*  
24 *of fixed charges*" and "*railway operating revenues remaining*",  
25 as the terms are used in this subsection, shall be computed  
26 before deduction of federal income or excess profits taxes;  
27 and that in computing "*fixed charges*" there shall be excluded  
28 interest and amortization charges applicable to debt called for  
29 redemption or which will otherwise mature within six months  
30 from the time of investment and for the payment of which funds  
31 have been or currently are being specifically set aside.

32 c. The eligibility of railroad obligations described  
33 ~~in the first sentence of this subsection~~ paragraph "a",  
34 unnumbered paragraph 1, shall be determined exclusively  
35 as provided herein, without regard to the provisions for

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1 qualification contained in subsections 5 and 8 ~~of this section.~~  
2 Provisions for qualification contained in this section shall  
3 not be construed as applying to equipment trust obligations,  
4 guaranteed stocks, or contingent interest bonds of railroad  
5 companies. Investments made in accordance with the provisions  
6 of this subsection shall not be eligible in excess of ten  
7 percent of the legal reserve.

8 17. *Rules of valuation.*

9 a. (1) All bonds or other evidences of debt having a fixed  
10 term and rate of interest, if amply secured and not in default  
11 as to principal or interest, may be valued as follows:

12 ~~(1)~~ (a) If purchased at par, at the par value.

13 ~~(2)~~ (b) If purchased above or below par, on the basis of  
14 the purchase price adjusted so as to bring the value to par at  
15 maturity and so as to yield in the meantime the effective rate  
16 of interest at which the purchase was made.

17 (2) In applying the ~~above~~ rule contained in subparagraph  
18 (1), the purchase price shall in no case be taken at a higher  
19 figure than the actual market value at the time of purchase.

20 b. Certificates of sale obtained by foreclosure of liens on  
21 real estate shall be valued in an amount not greater than the  
22 unpaid principal of the defaulted indebtedness plus any amounts  
23 actually expended for taxes and acquisition costs.

24 c. (1) All investments, except those for which a specific  
25 rule is provided in this subsection, shall be valued at  
26 their market value, or at their appraised value, or at prices  
27 determined by the commissioner of insurance as representing  
28 their fair market value, or at a value as determined under  
29 rules adopted by the national association of insurance  
30 commissioners.

31 (2) The commissioner of insurance shall have full  
32 discretion in determining the method of calculating values  
33 according to the foregoing rules, but no company or association  
34 shall be prevented from valuing any asset at an amount less  
35 than that provided by this subsection.

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1     19. *Other foreign government or corporate obligations.* Bonds  
2 or other evidences of indebtedness, not to include currency,  
3 issued, assumed, or guaranteed by a foreign government other  
4 than Canada, or by a corporation incorporated under the laws  
5 of a foreign government other than Canada. Such governmental  
6 obligations must be valid, legally authorized and issued,  
7 and on the date of acquisition have predominantly investment  
8 qualities and characteristics as provided by rule. Such  
9 corporate obligations must meet the qualifications established  
10 in subsection 5 for bonds and other evidences of indebtedness  
11 issued, assumed, or guaranteed by a corporation incorporated  
12 under the laws of the United States or Canada. Foreign  
13 investments authorized by this subsection are not eligible  
14 in excess of twenty percent of the legal reserve of the life  
15 insurance company or association. Investments in obligations  
16 of a foreign government, other than Canada and the United  
17 Kingdom, are not eligible in excess of two percent of the  
18 legal reserve in the securities of foreign governments of any  
19 one foreign nation. Investments in obligations of the United  
20 Kingdom are not eligible in excess of four percent of the legal  
21 reserve. Investments in a corporation incorporated under the  
22 laws of a foreign government other than Canada are not eligible  
23 in excess of two percent of the legal reserve in the securities  
24 of any one foreign corporation.

25     a. Eligible investments in foreign obligations under this  
26 subsection are limited to the types of obligations specifically  
27 referred to in this subsection. This subsection in no way  
28 limits or restricts investments in Canadian obligations and  
29 securities specifically authorized in other subsections of this  
30 section.

31     b. This subsection shall not authorize investment in  
32 evidences of indebtedness issued, assumed, or guaranteed by a  
33 foreign government which engages in a consistent pattern of  
34 gross violations of human rights.

35     20. *Venture capital funds.*

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1     a. Shares or equity interests in venture capital funds which  
2 agree to invest an amount equal to at least fifty percent of  
3 the funds in small businesses having their principal offices  
4 within this state and having either more than one half of  
5 their assets within this state or more than one half of their  
6 employees employed within this state. A company shall not  
7 invest more than five percent of its legal reserve under this  
8 subsection.

9     b. For purposes of this subsection, "venture capital  
10 fund" means a corporation, partnership, proprietorship, or  
11 other entity formed under the laws of the United States, or  
12 a state, district, or territory of the United States, whose  
13 principal business is or will be the making of investments in,  
14 and the provision of significant managerial assistance to,  
15 small businesses which meet the small business administration  
16 definition of small business. "Equity interests" means limited  
17 partnership interests and other equity interests in which  
18 liability is limited to the amount of the investment, but does  
19 not mean general partnership interests or other interests  
20 involving general liability. "Venture capital fund" includes an  
21 equity interest in the Iowa fund of funds as defined in section  
22 15E.62.

23     ~~"Venture capital fund" includes an equity interest in the~~  
24 ~~Iowa fund of funds as defined in section 15E.62.~~

25     Sec. 112. Section 512B.6, subsection 1, Code 2011, is  
26 amended to read as follows:

27     1. a. A society shall operate for the benefit of members  
28 and their beneficiaries by fulfilling both of the following  
29 purposes:

30     ~~a.~~ (1) Providing benefits as specified in section 512B.16.

31     ~~b.~~ (2) Operating for one or more social, intellectual,  
32 educational, charitable, benevolent, moral, fraternal,  
33 patriotic, or religious purposes for the benefit of its  
34 members, which may also be extended to others.

35     b. The purposes listed in this subsection may be carried

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1 out directly by the society, or indirectly through subsidiary  
2 corporations or affiliated organizations.

3 Sec. 113. Section 512B.19, subsection 4, Code 2011, is  
4 amended to read as follows:

5 4. a. A society shall provide in its laws that if its  
6 reserves as to all or any class of certificates become  
7 impaired, its supreme governing body or board of directors may  
8 require that there be paid by the owners to the society the  
9 amount of the owners' equitable proportion of the deficiency  
10 as ascertained by its governing body or board, and that if the  
11 payment is not made either of the following will apply:

12 ~~a.~~ (1) The required payment or assessment shall stand as  
13 an indebtedness against the certificate and draw interest not  
14 to exceed the rate specified for certificate loans under the  
15 certificates.

16 ~~b.~~ (2) In lieu of or in combination with ~~paragraph~~  
17 ~~"a"~~ subparagraph (1), the owner may accept a proportionate  
18 reduction in benefits under the certificate.

19 b. The society may specify the manner of the election and  
20 which alternative is to be presumed if no election is made.

21 Sec. 114. Section 512B.23, subsection 2, Code 2011, is  
22 amended to read as follows:

23 2. a. The minimum standards of valuation for certificates  
24 issued on or after January 1, 1991, shall be based on the  
25 following tables:

26 ~~a.~~ (1) For certificates of life insurance, the  
27 commissioner's 1980 standard ordinary mortality table or any  
28 more recent table made applicable to life insurers.

29 ~~b.~~ (2) For annuity and pure endowment certificates, for  
30 total and permanent disability benefits, for accidental death  
31 benefits and for noncancelable accident and health benefits,  
32 the tables authorized for use by life insurers in this state.

33 b. ~~Paragraphs "a" and "b"~~ Paragraph "a", subparagraphs (1)  
34 and (2) are under valuation methods and standards, including  
35 interest assumptions, in accordance with the laws of this state

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1 applicable to life insurers issuing policies containing like  
2 benefits.

3 Sec. 115. Section 514A.1, Code 2011, is amended to read as  
4 follows:

5 **514A.1 Definition of accident and sickness insurance policy.**

6 1. ~~"Policy of accident and sickness insurance" as used in~~  
7 this chapter As used in this chapter, "policy of accident and  
8 sickness insurance" includes a policy or contract covering  
9 insurance against loss resulting from sickness, or from bodily  
10 injury or death by accident, or both. For the purposes of this  
11 chapter the words "policy of accident and sickness insurance"  
12 are interchangeable without deviation of meaning with the words  
13 "policy of accident and health insurance" or the words ~~"policy~~  
14 ~~of accident or health insurance."~~ "policy of accident or health  
15 insurance".

16 2. This chapter applies to all individual policies of such  
17 accident and sickness insurance written by Iowa or non-Iowa  
18 companies or associations duly licensed under chapter 508, 515,  
19 or 520 and, societies, orders, or associations licensed under  
20 chapter 512B writing sickness and accident policies providing  
21 benefits for loss of time.

22 3. Orders, societies or associations which admit to  
23 membership only persons engaged in one or more crafts or  
24 hazardous occupations in the same or similar lines of business  
25 and the societies or auxiliaries to such orders shall not  
26 be subject to the provisions of this chapter nor shall any  
27 religious order be subject to the provisions of this chapter.

28 Sec. 116. Section 514B.3, Code 2011, is amended to read as  
29 follows:

30 **514B.3 Application for a certificate of authority.**

31 1. An application for a certificate of authority shall be  
32 verified by an officer or authorized representative of the  
33 health maintenance organization, shall be in a form prescribed  
34 by the commissioner, and shall set forth or be accompanied by  
35 the following:

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- 1    ~~1-~~ a. A copy of the basic organizational document, if  
2 any, of the applicant such as the articles of incorporation,  
3 articles of association, partnership agreement, trust  
4 agreement, or other applicable documents, and all of its  
5 amendments.
- 6    ~~2-~~ b. A copy of the bylaws, rules or similar document,  
7 if any, regulating the conduct of the internal affairs of the  
8 applicant.
- 9    ~~3-~~ c. A list of the names, addresses and official positions  
10 of the persons who are to be responsible for the conduct of  
11 the affairs of the applicant, including all members of the  
12 board of directors, board of trustees, executive committee, or  
13 other governing board or committee, the principal officers if  
14 a corporation and the partners or members if a partnership or  
15 association.
- 16    ~~4-~~ d. A copy of any contract made or to be made between any  
17 providers or persons listed in ~~subsection 3~~ paragraph "c" and  
18 the applicant.
- 19    ~~5-~~ e. A statement generally describing the health  
20 maintenance organization including, but not limited to, a  
21 description of its facilities and personnel.
- 22    ~~6-~~ f. A copy of the form of evidence of coverage.
- 23    ~~7-~~ g. A copy of the form of the group contract, if any,  
24 which is to be issued to employers, unions, trustees or other  
25 organizations.
- 26    ~~8-~~ h. Financial statements showing the applicant's  
27 assets, liabilities and sources of financial support. If the  
28 applicant's financial affairs are audited by an independent  
29 certified public accountant, a copy of the applicant's most  
30 recent regular certified financial statement shall satisfy this  
31 requirement unless the commissioner directs that additional  
32 financial information is required for the proper administration  
33 of this chapter.
- 34    ~~9-~~ i. A description of the proposed method of marketing the  
35 plan, a financial plan which includes a three-year projection

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1 of operating results anticipated, and a statement as to the  
2 sources of funding.

3 ~~10.~~ j. A power of attorney executed by any applicant  
4 appointing the commissioner, the commissioner's successors in  
5 office, and deputies to receive process in any legal action or  
6 proceeding against the health maintenance organization on a  
7 cause of action arising in this state.

8 ~~11.~~ k. A statement reasonably describing the geographic  
9 area to be served.

10 ~~12.~~ l. A description of the complaint procedures to be  
11 utilized as required under section 514B.14.

12 ~~13.~~ m. A description of the procedures and programs to be  
13 implemented to meet the requirements for quality of health care  
14 as determined by the director of public health under section  
15 514B.4.

16 ~~14.~~ n. A description of the mechanism by which enrollees  
17 shall be allowed to participate in matters of policy and  
18 operation as required by section 514B.7.

19 ~~15.~~ o. Other information the commissioner finds reasonably  
20 necessary to make the determinations required in section  
21 514B.5.

22 2. A health maintenance organization shall, unless  
23 otherwise provided for in this chapter, file notice with the  
24 commissioner and receive approval from the commissioner before  
25 modifying the operations described in the information required  
26 by this section.

27 3. Upon receipt of an application for a certificate  
28 of authority, the commissioner shall immediately transmit  
29 copies of the application and accompanying documents to the  
30 director of public health and the affected regional health  
31 planning council, as authorized by Pub L. No. 89-749, 42 U.S.C.  
32 § 246(b)2b, for their nonbinding consultation and advice.

33 Sec. 117. Section 514B.5, Code 2011, is amended to read as  
34 follows:

35 **514B.5 Issuance and denial of a certificate of authority.**

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1     1. The commissioner shall issue or deny a certificate  
2 of authority to any person filing an application pursuant to  
3 section 514B.3 within a reasonable period of time. Issuance  
4 of a certificate of authority shall be granted upon payment  
5 of the application fee prescribed in section 514B.22 if the  
6 commissioner is satisfied that the following conditions are  
7 met:

8     ~~1-~~ a. The persons responsible for the conduct of the  
9 affairs of the applicant are competent and trustworthy.

10    ~~2-~~ b. The commissioner finds that the health maintenance  
11 organization's proposed plan of operation meets the  
12 requirements of section 514B.4.

13    ~~3-~~ c. The health maintenance organization provides or  
14 arranges for the provision of basic health care services  
15 on a prepaid basis, except that the health maintenance  
16 organization may impose deductible and coinsurance charges  
17 subject to approval by the commissioner. The commissioner  
18 has the authority to promulgate rules pursuant to chapter 17A  
19 establishing reasonable maximum deductible and coinsurance  
20 charges which may be imposed by health maintenance  
21 organizations.

22    ~~4-~~ d. The health maintenance organization is fiscally  
23 sound and may reasonably be expected to meet its obligations  
24 to enrollees. In making this determination, the commissioner  
25 may consider:

26    ~~a-~~ (1) The financial soundness of the health maintenance  
27 organization's arrangements for health care services in  
28 relation to its schedule of charges.

29    ~~b-~~ (2) The adequacy of the health maintenance  
30 organization's working capital.

31    ~~c-~~ (3) Any agreement made by the health maintenance  
32 organization with an insurer, a corporation authorized under  
33 chapter 514 or any other organization for insuring the payment  
34 of the cost of health care services or for providing immediate  
35 alternative coverage in the event of discontinuance of the

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1 health maintenance organization.  
2 ~~d.~~ (4) Any agreement made with providers for the provision  
3 of health care services.  
4 ~~e.~~ (5) Any surety bond or deposit of cash or securities  
5 submitted in accordance with section 514B.16.  
6 ~~5.~~ e. The enrollees may participate in matters of policy  
7 and operation pursuant to section 514B.7.  
8 ~~6.~~ f. Nothing in the proposed method of operation as shown  
9 by the information submitted pursuant to section 514B.3 or by  
10 independent investigation is contrary to the public interest.  
11 2. A certificate of authority shall be denied only after  
12 compliance with the requirements of section 514B.26.  
13 Sec. 118. Section 514B.6, Code 2011, is amended to read as  
14 follows:  
15 **514B.6 Powers of health maintenance organizations.**  
16 1. The powers of a health maintenance organization include,  
17 but are not limited to, the following:  
18 ~~1.~~ a. The purchase, lease, construction, renovation,  
19 operation or maintenance of hospitals, medical facilities,  
20 or both, and their ancillary equipment, and such property as  
21 may reasonably be required for transacting the business of the  
22 organization.  
23 ~~2.~~ b. The making of loans to a medical group under contract  
24 with it or to a corporation under its control for the purpose  
25 of acquiring or constructing medical facilities and hospitals  
26 or in furtherance of a program providing health care services  
27 to enrollees.  
28 ~~3.~~ c. The furnishing of health care services to the public  
29 through providers which are under contract with or employed by  
30 the health maintenance organization.  
31 ~~4.~~ d. The contracting with any person for the performance  
32 on its behalf of certain functions such as marketing,  
33 enrollment and administration.  
34 ~~5.~~ e. The contracting with an insurance company authorized  
35 to insure groups or individuals in this state for the cost of

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1 health care or with a corporation authorized under chapter 514  
2 for the provision of insurance, indemnity, or reimbursement  
3 against the cost of health care services provided by the health  
4 maintenance organization.

5 ~~6.~~ f. The offering, in addition to basic health care  
6 services, of health care services and indemnity benefits to  
7 enrollees or groups of enrollees.

8 ~~7.~~ g. The acceptance from any person of payments covering  
9 all or part of the charges made to enrollees of the health  
10 maintenance organization.

11 2. A health maintenance organization shall file notice with  
12 the commissioner before the exercise of any power granted in  
13 ~~subsections 1 and 2~~ subsection 1, paragraphs "a" and "b". The  
14 commissioner shall disapprove the exercise of power if in the  
15 commissioner's opinion it would substantially and adversely  
16 affect the financial soundness of the health maintenance  
17 organization and endanger its ability to meet its obligations.  
18 The commissioner may adopt rules exempting from the filing  
19 requirement of this section those activities having a minimum  
20 effect.

21 Sec. 119. Section 514B.9, Code 2011, is amended to read as  
22 follows:

23 **514B.9 Evidence of coverage.**

24 1. Every enrollee shall receive an evidence of coverage  
25 and any amendments. If the enrollee obtains coverage through  
26 an insurance policy or a contract issued by a corporation  
27 authorized under chapter 514, the insurer or the corporation  
28 shall issue the evidence of coverage. No evidence of coverage  
29 or amendment shall be issued or delivered to any person in this  
30 state until a copy of the form of the evidence of coverage or  
31 amendment has been filed with and approved by the commissioner.

32 2. An evidence of coverage shall contain a clear and  
33 complete statement of:

34 ~~1.~~ a. The health care services and the insurance or other  
35 benefits, if any, to which the enrollee is entitled in the

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1 total context of the organizational structure of the health  
2 maintenance organization.

3 ~~2.~~ b. Any limitations on the services or benefits to be  
4 provided, including any deductible or coinsurance charges  
5 permitted under section 514B.5, subsection 3 1, paragraph "c".

6 ~~3.~~ c. The manner in which information is available on the  
7 method of obtaining health care services.

8 ~~4.~~ d. The total amount of payment for health care services  
9 and indemnity or service benefits, if any, which the enrollee  
10 is obligated to pay with respect to individual contracts, or  
11 an indication whether the plan offered through the health  
12 maintenance organization is contributory or noncontributory  
13 with respect to group contracts.

14 ~~5.~~ e. The health maintenance organization's method for  
15 resolving enrollee complaints.

16 ~~6.~~ f. The mechanism by which enrollees shall be allowed to  
17 participate in matters of policy and operation.

18 3. A copy of the form of the evidence of coverage to be  
19 used in this state and any amendment shall be subject to the  
20 filing and approval requirements of this section unless it  
21 is subject to the jurisdiction of the commissioner under the  
22 laws governing health insurance or corporations authorized  
23 under chapter 514 in which event the filing and approval  
24 provisions of such laws apply. To the extent, however, that  
25 those provisions are less strict than those provided under this  
26 section, then the requirements of this section shall apply.

27 4. Enrollees shall be entitled to receive the most recent  
28 annual statement of the financial condition of the health  
29 maintenance organization in which they are enrolled, which  
30 statement shall include a balance sheet and summary of receipts  
31 and disbursements.

32 Sec. 120. Section 515.35, subsection 4, paragraphs a and e,  
33 Code 2011, are amended to read as follows:

34 *a. United States government obligations.* Obligations  
35 issued or guaranteed by the United States or an agency or

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1 instrumentality of the United States. Bonds or other evidences  
2 of indebtedness issued, assumed, or guaranteed by the United  
3 States of America, or by any agency or instrumentality  
4 of the United States of America include investments in an  
5 open-end management investment company registered with the  
6 federal securities and exchange commission under the federal  
7 Investment Company Act of 1940, 15 U.S.C. § 80a, and operated  
8 in accordance with 17 C.F.R. § 270.2a-7, the portfolio of  
9 which is limited to the United States government obligations  
10 described in this paragraph "a", and which are included in the  
11 national association of insurance commissioners' securities  
12 valuation office's United States direct obligation - full faith  
13 and credit list.

14 ~~Bonds or other evidences of indebtedness issued, assumed,~~  
15 ~~or guaranteed by the United States of America, or by any~~  
16 ~~agency or instrumentality of the United States of America~~  
17 ~~include investments in an open-end management investment~~  
18 ~~company registered with the federal securities and exchange~~  
19 ~~commission under the federal Investment Company Act of 1940,~~  
20 ~~15 U.S.C. § 80a, and operated in accordance with 17 C.F.R.~~  
21 ~~§ 270.2a-7, the portfolio of which is limited to the United~~  
22 ~~States government obligations described in this paragraph "a",~~  
23 ~~and which are included in the national association of insurance~~  
24 ~~commissioners' securities valuation office's United States~~  
25 ~~direct obligation - full faith and credit list.~~

26 *e. Corporate and business trust obligations.* Obligations  
27 issued, assumed, or guaranteed by a corporation or business  
28 trust organized under the laws of the United States or a state  
29 of the United States, or the laws of Canada or a province of  
30 Canada, provided that a company shall not invest more than five  
31 percent of its admitted assets in the obligations of any one  
32 corporation or business trust. Aggregate investments in below  
33 investment grade bonds shall not exceed five percent of assets.

34 ~~Aggregate investments in below investment grade bonds shall~~  
35 ~~not exceed five percent of assets.~~

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1 Sec. 121. Section 515.35, subsection 4, paragraph h,  
2 subparagraph (1), Code 2011, is amended to read as follows:  
3 (1) (a) Except as provided in subparagraphs (2), (3), and  
4 (4) of this paragraph, a company may acquire, hold, and convey  
5 real estate only as follows:  
6 ~~(a)~~ (i) Real estate mortgaged to it in good faith as  
7 security for loans previously contracted, or for moneys due.  
8 ~~(b)~~ (ii) Real estate conveyed to it in satisfaction of  
9 debts previously contracted in the course of its dealings.  
10 ~~(c)~~ (iii) Real estate purchased at sales on judgments,  
11 decrees, or mortgages obtained or made for debts previously  
12 contracted in the course of its dealings.  
13 ~~(d)~~ (iv) Real estate subject to a contract for deed under  
14 which the company holds the vendor's interest to secure the  
15 payments the vendee is required to make under the contract.  
16 (b) All real estate specified in subparagraph ~~divisions~~  
17 ~~(a), (b), and (c)~~ division (a), subparagraph subdivisions (i),  
18 (ii), and (iii) shall be sold and disposed of within three  
19 years after the company acquires title to it, or within three  
20 years after the real estate ceases to be necessary for the  
21 accommodation of the company's business, and the company shall  
22 not hold any of those properties for a longer period unless the  
23 company elects to hold the property under another paragraph of  
24 this section, or unless the company procures a certificate from  
25 the commissioner of insurance that its interest will suffer  
26 materially by the forced sale of those properties and that the  
27 time for the sale is extended to the time the commissioner  
28 directs in the certificate.  
29 Sec. 122. Section 515.35, subsection 4, paragraph m, Code  
30 2011, is amended to read as follows:  
31 *m. Venture capital funds.* Shares or equity interests in  
32 venture capital funds which agree to invest an amount equal to  
33 at least fifty percent of the investments by a company in small  
34 businesses having their principal offices within this state and  
35 having either more than one-half of their assets within this

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1 state or more than one-half of their employees employed within  
2 this state. A company shall not invest more than five percent  
3 of its capital and surplus under this paragraph. For purposes  
4 of this paragraph, "venture capital fund" means a corporation,  
5 partnership, proprietorship, or other entity formed under the  
6 laws of the United States, or a state, district, or territory  
7 of the United States, whose principal business is or will be  
8 the making of investments in, and the provision of significant  
9 managerial assistance to, small businesses which meet the small  
10 business administration definition of small business. "Equity  
11 interests" means limited partnership interests and other equity  
12 interests in which liability is limited to the amount of the  
13 investment, but does not mean general partnership interests or  
14 other interests involving general liability. "Venture capital  
15 fund" includes an equity interest in the Iowa fund of funds as  
16 defined in section 15E.62.

17 ~~"Venture capital fund" includes an equity interest in the~~  
18 ~~Iowa fund of funds as defined in section 15E.62.~~

19 Sec. 123. Section 515B.9, subsection 1, Code 2011, is  
20 amended to read as follows:

21 1. a. Any person having a claim under an insurance policy,  
22 and the claim under such other policy alleges the same damages  
23 or arises from the same facts, injury, or loss that gives rise  
24 to a covered claim against the association, shall be required  
25 to first exhaust all coverage provided by that policy, whether  
26 such coverage is on a primary, excess, or pro rata basis and  
27 any obligation of the association shall not be considered other  
28 insurance.

29 (1) Any amount payable on a covered claim shall be reduced  
30 by the full applicable limits of such other insurance policy  
31 and the association shall receive full credit for such limits  
32 or where there are no applicable limits, the claim shall be  
33 reduced by the total recovery.

34 ~~a.~~ (2) A policy providing liability coverage to a person  
35 who may be jointly and severally liable with, or a joint

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1 tortfeasor with, the person covered under the policy of the  
2 insolvent insurer shall be first exhausted before any claim is  
3 made against the association and the association shall receive  
4 credit for the same as provided above.

5     **b.** For purposes of this section, an insurance policy means a  
6 policy issued by an insurance company, whether or not a member  
7 insurer, which policy insures any of the types of risks insured  
8 by an insurance company authorized to write insurance under  
9 chapter 515, 516A, or 520, or comparable statutes of another  
10 state, except those types of risks set forth in chapters 508  
11 and 514.

12     Sec. 124. Section 515E.2, subsections 2, 6, and 7, Code  
13 2011, are amended to read as follows:

14     2. a. "*Completed operations liability*" means liability  
15 arising out of the installation, maintenance, or repair of any  
16 product at a site which is not owned or controlled by either of  
17 the following:

18     ~~a.~~ (1) A person who performs that work.

19     ~~b.~~ (2) A person who hires an independent contractor to  
20 perform that work.

21     **b.** However, liability for activities which are completed or  
22 abandoned before the date of the occurrence giving rise to the  
23 liability is included.

24     6. a. "*Liability*" means legal liability for damages,  
25 including costs of defense, legal costs and fees, and other  
26 claims expenses, because of injuries to other persons, damage  
27 to their property, or other damage or loss to other persons  
28 resulting from or arising out of either of the following:

29     ~~a.~~ (1) A business, whether profit or nonprofit, trade,  
30 product, services, including professional services, premises,  
31 or operations.

32     ~~b.~~ (2) An activity of a state or local government, or an  
33 agency or political subdivision of state or local government.

34     **b.** "*Liability*" does not include personal risk liability and  
35 an employer's liability with respect to its employees other

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1 than an employer's legal liability under the federal Employers'  
2 Liability Act, 45 U.S.C. § 51 et seq.

3 7. "*Personal risk liability*" means liability for damages  
4 because of injury to a person, damage to property, or  
5 other loss or damage resulting from personal, familial, or  
6 household responsibilities or activities, rather than from  
7 responsibilities or activities referred to in subsection 6,  
8 ~~paragraphs "a" and "b"~~ paragraph "a", subparagraphs (1) and (2).

9 Sec. 125. Section 515E.4, unnumbered paragraphs 1 and 2,  
10 Code Supplement 2011, are amended to read as follows:

11 Risk retention groups chartered in other states and seeking  
12 to do business as a risk retention group in this state must  
13 observe and abide by the laws of this state as provided in this  
14 section. However, a risk retention group failing to qualify  
15 under the definitional requirement of the federal Act, will not  
16 benefit from this exemption from state law. The commissioner,  
17 therefore, may apply any of the laws that otherwise may be  
18 preempted by the federal Act because the nonexempt group will  
19 not qualify for the preemption.

20 ~~However, a risk retention group failing to qualify under~~  
21 ~~the definitional requirement of the federal Act, will not~~  
22 ~~benefit from this exemption from state law. The commissioner,~~  
23 ~~therefore, may apply any of the laws that otherwise may be~~  
24 ~~preempted by the federal Act because the nonexempt group will~~  
25 ~~not qualify for the preemption.~~

26 Sec. 126. Section 515F.6, subsection 3, unnumbered  
27 paragraph 2, Code 2011, is amended to read as follows:

28 4. If, after hearing, the commissioner finds that the  
29 filing does not meet the requirements of this chapter, the  
30 commissioner shall issue an order specifying in what respects  
31 the filing fails to meet the requirements of this chapter, and  
32 stating when, within a reasonable period after the order is  
33 issued, the filing shall no longer be in effect. Copies of the  
34 order shall be sent to the applicant and to every insurer and  
35 advisory organization which made that filing. The order shall



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1 not affect a contract or policy made or issued prior to the  
2 expiration of the period set forth in the order.

3 Sec. 127. Section 516D.4, Code 2011, is amended to read as  
4 follows:

5 **516D.4 Collision damage and loss.**

6 1. a. A rental company shall not hold, or attempt to hold,  
7 an authorized driver liable for physical damage to a rental  
8 vehicle, loss due to theft of a rental vehicle, or damages  
9 resulting from the loss of use of a rental vehicle, unless the  
10 rental company offers the customer a collision damage waiver  
11 under the terms and conditions described in subsection 2 of  
12 ~~this section~~, or unless one or more of the following applies:

13 ~~a.~~ (1) The damage or loss is caused intentionally by an  
14 authorized driver or is a result of the authorized driver's  
15 willful, abusive, reckless, or wanton misconduct.

16 ~~b.~~ (2) The damage or loss arises out of the authorized  
17 driver's operation of the rental vehicle while intoxicated or  
18 under the influence of a drug.

19 ~~c.~~ (3) The damage or loss is caused while the authorized  
20 driver is engaged in a race, training activity, contest, or use  
21 of the rental vehicle for an illegal purpose.

22 ~~d.~~ (4) The rental agreement is based on false or misleading  
23 information supplied by the customer or an authorized driver.

24 ~~e.~~ (5) The damage or loss is caused by operating the  
25 rental vehicle other than on regularly maintained hard surface  
26 roadways, including private driveways and parking lots.

27 ~~f.~~ (6) The damage or loss arises out of the use of the  
28 rental vehicle to transport persons or property for hire or to  
29 push or tow anything.

30 ~~g.~~ (7) The damage or loss occurs while the rental vehicle  
31 is operated by a driver other than an authorized driver.

32 ~~h.~~ (8) The damage or loss arises out of the use of the  
33 rental vehicle outside the continental United States unless  
34 such use is specifically authorized by the rental agreement.

35 ~~i.~~ (9) The damage or loss is attributable to theft which

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1 occurs with the prior knowledge or knowing participation of an  
2 authorized driver, or which is attributable to the authorized  
3 driver leaving the rental vehicle unattended with the keys in  
4 the rental vehicle.

5 b. This section does not alter the liability of a customer  
6 or authorized driver for bodily injury or the death of another  
7 and for property damage other than to the rental vehicle in  
8 accordance with the rental agreement. This section does not  
9 prohibit a rental company from accepting or negotiating master  
10 contracts with companies or government entities in advance of  
11 need whereby the companies or government entities specifically  
12 agree to assume liability in exchange for rate concessions.  
13 This section does not prohibit a rental company from entering  
14 into agreements with insurance companies to provide replacement  
15 vehicles to insurance company customers whereby the insurance  
16 company agrees to assume the risk of loss.

17 c. If the rental vehicle is not repaired, damages shall not  
18 exceed the fair market value of the vehicle, as determined in  
19 the customary market for that vehicle, less salvage or actual  
20 sale value, plus additional license and tax fees incurred  
21 because of the sale, plus administrative fees. A claim shall  
22 not be made for loss of use if the rental vehicle is not  
23 repaired.

24 2. a. A rental company may offer a collision damage waiver  
25 under the following terms and conditions:

26 ~~a.~~ (1) All restrictions, conditions, and exclusions must  
27 be printed in the rental agreement, or on a separate sheet or  
28 document, in ten point type, or larger; or written in pen and  
29 ink or typewritten in or on the face of the rental agreement  
30 in a blank space provided for such restrictions, conditions,  
31 and exclusions. The rental agreement may provide that the  
32 collision damage waiver may be voided under the conditions set  
33 forth in subsection 1, ~~paragraphs "a" through "i"~~ paragraph "a",  
34 subparagraphs (1) through (9).

35 ~~b.~~ (2) The rental agreement, separate sheet, or document

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1 must clearly and conspicuously state both the daily and  
2 estimated total charge for the collision damage waiver.  
3 ~~e-~~ (3) (a) The rental agreement, separate sheet, or  
4 document given to the customer prior to entering into the  
5 rental agreement must display in ten point type, or larger, the  
6 following notice:

7 NOTICE: THIS CONTRACT OFFERS, FOR AN ADDITIONAL CHARGE,  
8 A COLLISION DAMAGE WAIVER TO COVER ALL OR PART OF YOUR  
9 RESPONSIBILITY FOR DAMAGE TO THE RENTAL VEHICLE.

10 BEFORE DECIDING WHETHER TO PURCHASE THE COLLISION DAMAGE  
11 WAIVER, YOU MAY WISH TO DETERMINE WHETHER YOUR OWN AUTOMOBILE  
12 INSURANCE AFFORDS YOU COVERAGE FOR DAMAGE TO THE RENTAL VEHICLE  
13 AND THE AMOUNT OF THE DEDUCTIBLE UNDER YOUR OWN INSURANCE  
14 COVERAGE. THE PURCHASE OF THIS COLLISION DAMAGE WAIVER IS NOT  
15 MANDATORY AND MAY BE DECLINED.

16 (b) The customer must separately acknowledge that the  
17 customer received the above notice, that the customer desires  
18 to purchase the collision damage waiver, and the terms of the  
19 collision damage waiver to which the customer agrees.

20 ~~d-~~ (4) The car rental company shall not pay commissions to  
21 a rental counter agent or representative for selling collision  
22 damage waivers and is prohibited from considering volume of  
23 sales of collision damage waivers in an employee evaluation or  
24 determination of promotion.

25 b. However, notwithstanding whether a rental company  
26 offers a collision damage waiver under the provisions of this  
27 subsection, the rental company shall not hold an authorized  
28 driver liable for damage or loss due to theft except where  
29 subsection 1, paragraph ~~"i"~~ "a", subparagraph (9) applies.

30 Sec. 128. Section 518C.3, subsection 4, paragraph b, Code  
31 Supplement 2011, is amended to read as follows:

32 b. (1) *"Covered claim"* does not include any of the  
33 following:

34 ~~{1}~~ (a) An amount due a reinsurer, insurer, insurance pool,  
35 underwriting association, or other group assuming insurance

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1 risks, as subrogation, contribution, indemnity recoveries, or  
2 otherwise.

3    ~~(2)~~ (b) An amount that constitutes the portion of a  
4 claim that is within an insured's deductible or self-insured  
5 retention.

6    ~~(3)~~ (c) A fee or other amount relating to goods or services  
7 sought by or on behalf of an attorney, adjuster, witness, or  
8 other provider of goods or services retained by the insolvent  
9 insurer or by an insured prior to the date the insurer was  
10 declared insolvent.

11   ~~(4)~~ (d) An amount that constitutes a fine, penalty,  
12 interest, or punitive or exemplary damages.

13   ~~(5)~~ (e) A fee or other amount sought by or on behalf of  
14 an attorney, adjuster, witness, or other provider of goods or  
15 services retained by the insured or claimant in connection with  
16 the assertion of any claim, covered or otherwise, against the  
17 association.

18   ~~(6)~~ (f) A claim filed with the association or with a  
19 liquidator for protection afforded under the insured's policy  
20 or contract for incurred but not reported losses or expenses.

21   ~~(7)~~ (g) An amount that is an obligation owed to or on  
22 behalf of an affiliate of, as defined in section 521A.1, an  
23 insolvent insurer.

24   (2) Notwithstanding ~~subparagraphs (1) through (7)~~  
25 subparagraph (1), subparagraph divisions (a) through (g), a  
26 person is not prevented from presenting a noncovered claim  
27 to the insolvent insurer or its liquidator. However, the  
28 noncovered claim shall not be asserted against any other  
29 person, including the person to whom benefits were paid or the  
30 insured of the insolvent insurer, except to the extent that  
31 the claim is outside the coverage of the policy issued by the  
32 insolvent insurer.

33   Sec. 129. Section 521A.3, subsections 1 and 2, Code 2011,  
34 are amended to read as follows:

35   1. *Filing requirements.*

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1     a. No person other than the issuer shall make a tender offer  
2 for or a request or invitation for tenders of, or enter into  
3 any agreement to exchange securities for, seek to acquire, or  
4 acquire, in the open market or otherwise, any voting security  
5 of a domestic insurer if, after the consummation thereof,  
6 such person would, directly or indirectly, or by conversion  
7 or by exercise of any right to acquire, be in control of such  
8 insurer, and no person shall enter into an agreement to merge  
9 with or otherwise to acquire control of a domestic insurer  
10 unless, at the time any such offer, request, or invitation  
11 is made or any such agreement is entered into, or prior to  
12 the acquisition of such securities if no offer or agreement  
13 is involved, such person has filed with the commissioner and  
14 has sent to such insurer, and such insurer has sent to its  
15 shareholders, a statement containing the information required  
16 by this section and such offer, request, invitation, agreement  
17 or acquisition has been approved by the commissioner in the  
18 manner hereinafter prescribed.

19     b. For purposes of this section a domestic insurer shall  
20 include any other person controlling a domestic insurer unless  
21 the other person is either directly or through its affiliates  
22 primarily engaged in business other than the business of  
23 insurance. However, for purposes of this section "*person*"  
24 does not include a securities broker holding, in the usual and  
25 customary broker's function, less than twenty percent of the  
26 voting securities of an insurance company or of a person which  
27 controls an insurance company.

28     2. *Content of statement.*

29     a. The statement to be filed with the commissioner hereunder  
30 shall be made under oath or affirmation and shall contain the  
31 following information:

32     ~~a.~~ (1) The name and address of each person by whom or  
33 on whose behalf the merger or other acquisition of control  
34 referred to in subsection 1 ~~of this section~~ is to be effected,  
35 hereinafter called "*acquiring party*".

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1    ~~(1)~~ (a) If such person is an individual, the individual's  
2 principal occupation and all offices and positions held during  
3 the past five years, and any conviction of crimes other than  
4 minor traffic violations during the past ten years.

5    ~~(2)~~ (b) If such person is not an individual, a report  
6 of the nature of its business operations during the past  
7 five years or for such lesser period as such person and  
8 any predecessors thereof shall have been in existence; an  
9 informative description of the business intended to be done  
10 by such person and such person's subsidiaries; and a list of  
11 all individuals who are or who have been selected to become  
12 directors or executive officers of such person, or who perform  
13 or will perform functions appropriate to such positions. Such  
14 list shall include for each such individual the information  
15 required by subparagraph ~~(1)~~ of this paragraph division (a).

16    ~~b.~~ (2) The source, nature and amount of the consideration  
17 used or to be used in effecting the merger or other acquisition  
18 of control, a description of any transaction in which funds  
19 were or are to be obtained for any such purpose including a  
20 pledge of the insurer's stock, or the stock of any of its  
21 subsidiaries or controlling affiliates, and the identity of  
22 persons furnishing the consideration. However, if a source  
23 of the consideration is a loan made in the lender's ordinary  
24 course of business, the identity of the lender shall remain  
25 confidential, if the person filing the statement so requests.

26    ~~c.~~ (3) Fully audited financial information as to the  
27 earnings and financial condition of each acquiring party for  
28 the preceding five fiscal years of each such acquiring party,  
29 or for such lesser period as such acquiring party and any  
30 predecessors thereof shall have been in existence, and similar  
31 unaudited information as of a date not earlier than ninety days  
32 prior to the filing of the statement.

33    ~~d.~~ (4) Any plans or proposals which each acquiring party  
34 may have to liquidate such insurer, to sell its assets or  
35 merge or consolidate it with any person, or to make any other

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1 material change in its business or corporate structure or  
2 management.

3 ~~e-~~ (5) The number of shares of any security referred to  
4 in subsection 1 ~~of this section~~ which each acquiring party  
5 proposes to acquire, and the terms of the offer, request,  
6 invitation, agreement, or acquisition referred to in subsection  
7 1 ~~of this section~~, and a statement as to the method by which the  
8 fairness of the proposal was arrived at.

9 ~~f-~~ (6) The amount of each class of any security referred  
10 to in subsection 1 ~~of this section~~ which is beneficially owned  
11 or concerning which there is a right to acquire beneficial  
12 ownership by each acquiring party.

13 ~~g-~~ (7) A full description of any contracts, arrangements  
14 or understandings with respect to any security referred to  
15 in subsection 1 ~~of this section~~ in which any acquiring party  
16 is involved, including but not limited to transfer of any of  
17 the securities, joint ventures, loan or option arrangements,  
18 puts or calls, guarantees of loans, guarantees against loss  
19 or guarantees of profits, division of losses or profits, or  
20 the giving or withholding of proxies. Such description shall  
21 identify the persons with whom such contracts, arrangements or  
22 understandings have been entered into.

23 ~~h-~~ (8) A description of the purchase of any security  
24 referred to in subsection 1 ~~of this section~~ during the twelve  
25 calendar months preceding the filing of the statement, by any  
26 acquiring party, including the dates of purchase, names of  
27 the purchasers, and consideration paid or agreed to be paid  
28 therefor.

29 ~~i-~~ (9) A description of any recommendations to purchase  
30 any security referred to in subsection 1 ~~of this section~~ made  
31 during the twelve calendar months preceding the filing of the  
32 statement, by any acquiring party, or by anyone based upon  
33 interview or at the suggestion of such acquiring party.

34 ~~j-~~ (10) Copies of all tender offers for, requests or  
35 invitations for tenders of, exchange offers for, and agreements

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1 to acquire or exchange any securities referred to in subsection  
2 ~~1 of this section~~, and, if distributed, of additional  
3 soliciting material relating thereto.

4 ~~k-~~ (11) The terms of any agreement, contract or  
5 understanding made with any broker-dealer as to solicitation  
6 of securities referred to in subsection 1 ~~of this section~~  
7 for tender, and the amount of any fees, commissions or other  
8 compensation to be paid to broker-dealers with regard thereto.

9 ~~l-~~ (12) Additional information as the commissioner may by  
10 rule prescribe as necessary or appropriate for the protection  
11 of policyholders of the insurer or in the public interest.

12 b. If the person required to file the statement referred  
13 to in subsection 1 ~~of this section~~ is a partnership, limited  
14 partnership, syndicate or other group, the commissioner may  
15 require that the information called for by ~~paragraphs "a"~~  
16 ~~through "l" of this subsection~~ paragraph "a", subparagraphs  
17 (1) through (12) shall be given with respect to each partner  
18 of such partnership or limited partnership, each member of  
19 such syndicate or group, and each person who controls such  
20 partner or member. If any such partner, member or person is  
21 a corporation or the person required to file the statement  
22 referred to in subsection 1 ~~of this section~~ is a corporation,  
23 the commissioner may require that the information called for  
24 by ~~paragraphs "a" through "l" of this subsection~~ paragraph  
25 "a", subparagraphs (1) through (12) shall be given with  
26 respect to such corporation, each officer and director of such  
27 corporation, and each person who is directly or indirectly the  
28 beneficial owner of more than ten percent of the outstanding  
29 voting securities of such corporation. If any material change  
30 occurs in the facts set forth in the statement filed with the  
31 commissioner and sent to such insurer pursuant to this section,  
32 an amendment setting forth such change, together with copies of  
33 all documents and other material relevant to such change, shall  
34 be filed with the commissioner and sent to such insurer within  
35 two business days after the person learns of such change. Such

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1 insurer shall send such amendment to its shareholders.

2 Sec. 130. Section 521B.2, unnumbered paragraph 1, Code  
3 2011, is amended to read as follows:

4 Credit for reinsurance is allowed a domestic ceding insurer  
5 as either an asset or a deduction from liability on account of  
6 reinsurance ceded only if the reinsurer meets the requirements  
7 of subsection 1, 2, 3, 4, or 5. If the reinsurer meets  
8 the requirements of subsection 3 or 4, the requirements of  
9 subsection 6 must also be met. This section does not apply to  
10 reinsurance ceded and assumed pursuant to pooling arrangements  
11 among insurers in the same holding company system.

12 Sec. 131. Section 521B.2, subsection 2, Code 2011, is  
13 amended to read as follows:

14 2. a. Credit is allowed if the reinsurance is ceded to an  
15 assuming insurer which is accredited as a reinsurer in this  
16 state. An accredited reinsurer is one which satisfies all of  
17 the following conditions:

18 ~~a-~~ (1) Files with the commissioner evidence of submission  
19 to the jurisdiction of this state.

20 ~~b-~~ (2) Submits to the authority of this state to examine  
21 its books and records.

22 ~~c-~~ (3) Is licensed to transact reinsurance in at least one  
23 state, or in the case of a United States branch of an alien  
24 assuming insurer, is entered through and licensed to transact  
25 the business of reinsurance in at least one state.

26 ~~d-~~ (4) Files annually with the commissioner a copy of  
27 its annual statement filed with the insurance department of  
28 its state of domicile and a copy of its most recent audited  
29 financial statement and does either of the following:

30 ~~(1)~~ (a) Maintains a surplus with respect to policyholders  
31 in an amount which is not less than twenty million dollars and  
32 whose accreditation has not been denied by the commissioner  
33 within ninety days of its submission to the jurisdiction of  
34 this state.

35 ~~(2)~~ (b) Maintains a surplus with respect to policyholders

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1 in an amount less than twenty million dollars and whose  
2 accreditation has been approved by the commissioner. Credit  
3 shall not be allowed a domestic ceding insurer, if the  
4 accreditation of the assuming insurer is revoked by the  
5 commissioner after notice and hearing.

6 b. To qualify as an accredited reinsurer, an assuming  
7 insurer must meet all of the requirements and the standards  
8 set forth in this subsection. If the commissioner determines  
9 that the assuming insurer has failed to continue to meet any  
10 of these requirements or standards, the commissioner may upon  
11 written notice and hearing revoke accreditation of the assuming  
12 insurer.

13 ~~This section does not apply to reinsurance ceded and assumed~~  
14 ~~pursuant to pooling arrangements among insurers in the same~~  
15 ~~holding company system.~~

16 Sec. 132. Section 521C.3, subsection 5, Code 2011, is  
17 amended to read as follows:

18 5. a. The commissioner may refuse to issue a reinsurance  
19 intermediary license if, in the commissioner's judgment, any of  
20 the following conditions are present:

21 ~~a.~~ (1) The applicant, anyone named in the application, or  
22 any member, principal, officer, or director of the applicant,  
23 is not trustworthy.

24 ~~b.~~ (2) A controlling person of such applicant is not  
25 trustworthy to act as a reinsurance intermediary.

26 ~~c.~~ (3) Conditions present in ~~paragraph "a" or "b"~~  
27 subparagraph (1) or (2) have given cause for revocation or  
28 suspension of a license, or a person referred to in ~~paragraph~~  
29 ~~"a" or "b"~~ subparagraph (1) or (2) has failed to comply with any  
30 prerequisite for the issuance of a license.

31 b. Upon written request, the commissioner shall furnish a  
32 written summary of the basis for refusal to issue a license,  
33 which document is privileged and not subject to disclosure  
34 under chapter 22.

35 Sec. 133. Section 521D.4, subsection 3, Code 2011, is

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1 amended to read as follows:

2 3. a. A report required to be filed pursuant to this  
3 chapter is to be filed regardless of who has initiated the  
4 nonrenewal, cancellation, or revision of the ceded reinsurance  
5 agreement whenever one or more of the following conditions  
6 exist:

7 ~~a.~~ (1) The entire cession has been canceled, nonrenewed,  
8 or revised and ceded indemnity and loss adjustment expense  
9 reserves, after any nonrenewal, cancellation, or revision,  
10 represent less than fifty percent of the comparable reserves  
11 that would have been ceded had the nonrenewal, cancellation, or  
12 revision not occurred.

13 ~~b.~~ (2) An authorized or accredited reinsurer has been  
14 replaced on an existing cession by an unauthorized reinsurer.

15 ~~c.~~ (3) Collateral requirements previously established for  
16 unauthorized reinsurers have been reduced.

17 b. Subject to the materiality criteria, for purposes of  
18 ~~paragraphs "b" and "c"~~ paragraph "a", subparagraphs (2) and (3),  
19 a report shall be filed if the result of the revision affects  
20 more than ten percent of the cession.

21 Sec. 134. Section 524.605, Code 2011, is amended to read as  
22 follows:

23 **524.605 Liability of directors in certain cases.**

24 1. In addition to any other liabilities imposed by law upon  
25 directors of a state bank:

26 ~~1.~~ a. Directors of a state bank who vote for or assent  
27 to the declaration of any dividend or other distribution of  
28 the assets of a state bank to its shareholders in willful or  
29 negligent violation of the provisions of this chapter or of  
30 any restrictions contained in the articles of incorporation,  
31 shall be jointly and severally liable to the state bank for  
32 the amount of such dividend which is paid or the value of  
33 such assets which are distributed in excess of the amount  
34 of such dividend or distribution which could have been  
35 paid or distributed without a violation of the provisions

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1 of this chapter or of the restrictions in the articles of  
2 incorporation.

3     ~~2.~~ b. The directors of a state bank who vote for or  
4 assent to any distribution of assets of a state bank to its  
5 shareholders during the dissolution of the state bank without  
6 the payment and discharge of, or making adequate provision for,  
7 all known debts, obligations, and liabilities of the state bank  
8 shall be jointly and severally liable to the state bank for the  
9 value of such assets which are distributed, to the extent that  
10 such debts, obligations and liabilities of the state bank are  
11 not thereafter paid and discharged.

12     ~~3.~~ c. The directors of a state bank who, willfully or  
13 negligently, vote for or assent to loans or extensions of  
14 credit in violation of the provisions of this chapter, shall be  
15 jointly and severally liable to the state bank for the total  
16 amount of any loss sustained.

17     ~~4.~~ d. The directors of a state bank who, willfully or  
18 negligently, vote for or assent to any investment of funds of  
19 the state bank in violation of the provisions of this chapter  
20 shall be jointly and severally liable to the state bank for the  
21 amount of any loss sustained on such investment.

22     2. A director of a state bank who is present at a meeting  
23 of its board of directors at which action on any matter is  
24 taken shall be presumed to have assented to the action taken  
25 unless the director's dissent shall be entered in the minutes  
26 of the meeting or unless the director shall file the director's  
27 written dissent to such action with the individual acting as  
28 the secretary of the meeting before the adjournment thereof or  
29 shall forward such dissent by registered or certified mail to  
30 the cashier of the state bank promptly after the adjournment  
31 of the meeting. Such right to dissent shall not apply to a  
32 director who voted in favor of such action.

33     3. A director shall not be liable under subsection 1, ~~2,~~  
34 ~~3, or 4 of this section~~ paragraph "a", "b", "c", or "d" if  
35 the director relied and acted in good faith upon information

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1 represented to the director to be correct by an officer or  
2 officers of such state bank or stated in a written report by a  
3 certified public accountant or firm of such accountants. No  
4 director shall be deemed to be negligent within the meaning  
5 of this section if the director in good faith exercised that  
6 diligence, care and skill which an ordinarily prudent person  
7 would exercise as a director under similar circumstances.

8 4. Any director against whom a claim shall be asserted under  
9 or pursuant to this section for the payment of a dividend or  
10 other distribution of assets of a state bank and who shall be  
11 held liable thereon, shall be entitled to contribution from  
12 the shareholders who accepted or received any such dividend or  
13 assets, knowing such dividend or distribution to have been made  
14 in violation of the provisions of this chapter, in proportion  
15 to the amounts received by them respectively. Further, any  
16 director against whom a claim shall be asserted pursuant to  
17 this section for the payment of any liability imposed by this  
18 section shall be entitled to contribution from any director  
19 found to be similarly liable.

20 5. Whenever the superintendent deems it necessary the  
21 superintendent may require, after affording an opportunity for  
22 a hearing upon adequate notice, that a director or directors  
23 whom the superintendent reasonably believes to be liable to  
24 a state bank pursuant to subsection 1, ~~2, 3, or 4 of this~~  
25 ~~section~~ paragraph "a", "b", "c", or "d", to place in an escrow  
26 account in an insured bank located in this state, as directed  
27 by the superintendent, an amount sufficient to discharge any  
28 liability which may accrue pursuant to subsection 1, ~~2, 3,~~  
29 ~~or 4 of this section~~ paragraph "a", "b", "c", or "d". The  
30 amount so deposited shall be paid over to the state bank by  
31 the superintendent upon final determination of the amount of  
32 such liability. Any portion of the escrow account which is not  
33 necessary to meet such liability shall be repaid on a pro rata  
34 basis to the directors who contributed to the fund.

35 6. Any action seeking to impose liability under this



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1 section, other than liability for contribution, shall be  
2 commenced only within five years of the action complained of  
3 and not thereafter.

4 Sec. 135. Section 524.901, subsection 7, Code 2011, is  
5 amended to read as follows:

6 7. a. A state bank, upon the approval of the  
7 superintendent, may invest up to five percent of its aggregate  
8 capital in the shares or equity interests of any of the  
9 following:

10 ~~a.~~ (1) Economic development corporations organized under  
11 chapter 496B to the extent authorized by and subject to the  
12 limitations of that chapter.

13 ~~b.~~ (2) Community development corporations or community  
14 development projects to the same extent a national bank may  
15 invest in such corporations or projects pursuant to 12 U.S.C.  
16 § 24.

17 ~~c.~~ (3) Small business investment companies as defined by  
18 the laws of the United States.

19 ~~d.~~ (4) Venture capital funds which invest an amount equal  
20 to at least fifty percent of a state bank's investment in small  
21 businesses having their principal offices within this state and  
22 having either more than one-half of their assets within this  
23 state or more than one-half of their employees employed within  
24 this state.

25 ~~e.~~ (5) Small businesses having a principal office within  
26 this state and having either more than one-half of their assets  
27 within this state or more than one-half of their employees  
28 employed within this state. An investment by a state bank  
29 in a small business under this ~~paragraph~~ subparagraph shall  
30 be included with the obligations of the small business to  
31 the state bank that are incurred as a result of the exercise  
32 by the state bank of the powers conferred in section 524.902  
33 for the purpose of determining the total obligations of the  
34 small business pursuant to section 524.904. A state bank's  
35 equity interest investment in a small business, pursuant to

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1 this ~~paragraph~~ subparagraph, shall not exceed a twenty percent  
2 ownership interest in the small business.

3 ~~f.~~ (6) Other entities, acceptable to the superintendent,  
4 whose sole purpose is to promote economic or civic developments  
5 within a community or this state.

6 b. A state bank's total investment in any combination of  
7 the shares or equity interests of the entities identified  
8 in ~~paragraphs "a" through "f"~~ paragraph "a", subparagraphs  
9 (1) through (6) shall be limited to fifteen percent of its  
10 aggregate capital.

11 c. For purposes of this subsection:

12 (1) The term "equity interests" means limited partnership  
13 interests and other equity interests in which liability is  
14 limited to the amount of the investment, but does not mean  
15 general partnership interests or other interests involving  
16 general liability.

17 (2) The term "small business" means a corporation,  
18 partnership, proprietorship, or other entity which meets  
19 the appropriate United States small business administration  
20 definition of small business and which is principally engaged  
21 in the development or exploitation of inventions, technological  
22 improvements, new processes, or other products not previously  
23 generally available in this state, or other investments which  
24 provide an economic benefit to the state.

25 ~~(3) For purposes of this subsection, the~~ The term "venture  
26 capital fund" means a corporation, partnership, proprietorship,  
27 or other entity whose principal business is or will be the  
28 making of investments in, and the providing of significant  
29 managerial assistance to, small businesses. ~~The term "small~~  
30 ~~business" means a corporation, partnership, proprietorship, or~~  
31 ~~other entity which meets the appropriate United States small~~  
32 ~~business administration definition of small business and which~~  
33 ~~is principally engaged in the development or exploitation of~~  
34 ~~inventions, technological improvements, new processes, or other~~  
35 ~~products not previously generally available in this state, or~~

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~~1 other investments which provide an economic benefit to the  
2 state. The term "equity interests" means limited partnership  
3 interests and other equity interests in which liability is  
4 limited to the amount of the investment, but does not mean  
5 general partnership interests or other interests involving  
6 general liability.~~

7 Sec. 136. Section 527.7, Code 2011, is amended to read as  
8 follows:

9 **527.7 Records maintained.**

10 1. All transactions engaged in through a satellite terminal  
11 shall be recorded in a form from which it will be possible  
12 to produce a humanly readable record of any transaction, and  
13 these recordings shall be retained by the utilizing financial  
14 institutions for the periods required by law.

15 2. The machine receipt provided to a satellite account  
16 transaction card user by a satellite terminal shall be  
17 admissible as evidence in any legal action or proceeding and  
18 shall constitute prima facie proof of the transaction evidence  
19 by that receipt.

20 3. A financial institution shall provide each of its  
21 satellite account holders with a periodic account statement  
22 that shall contain a brief description of all satellite  
23 terminal transactions sufficient to enable the account holder  
24 to identify any transaction and to relate it to machine  
25 receipts provided by satellite terminals.

26 4. When a periodic account statement includes both  
27 satellite terminal transactions and other nonsatellite terminal  
28 transactions, all satellite terminal transactions shall be  
29 indicated as such, and shall be accompanied by the description  
30 required by ~~this~~ subsection 3.

31 5. The administrator may provide by rule for the recording  
32 and maintenance, by any financial institution utilizing a  
33 satellite terminal, of amounts involved in a transaction  
34 engaged in through the satellite terminal which are of a known  
35 tax consequence to the customer initiating the transaction.

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1 For the purpose of this ~~paragraph~~ subsection, "known tax  
2 consequences" means and includes but shall not be limited to the  
3 following:

4 ~~1-~~ a. An amount directly or indirectly received from a  
5 customer and applied to a loan account of the customer which  
6 represents interest paid by the customer to the financial  
7 institution.

8 ~~2-~~ b. In any transaction where the total amount involved  
9 is deducted from funds in a customer's account and is  
10 simultaneously paid either directly or indirectly by the  
11 financial institution to the account of a third party, any  
12 portion of the transaction amount which represents a sales or  
13 other tax imposed upon or included within the transaction and  
14 collected by that third party from the customer, or any portion  
15 of the transaction amount which represents interest paid to the  
16 third party by the customer.

17 ~~3-~~ c. Any other transaction which the administrator  
18 determines to have direct tax consequences to the customer.  
19 The administrator also may provide for the periodic  
20 distribution to customers of summaries of transactions having  
21 known tax consequences.

22 Sec. 137. Section 527.9, subsection 2, Code 2011, is amended  
23 to read as follows:

24 2. a. A person desiring to operate a central routing unit  
25 shall submit to the administrator an application which shall  
26 contain all of the following information:

27 ~~a-~~ (1) The name and business address of the owner of the  
28 proposed unit.

29 ~~b-~~ (2) The name and business address of each data  
30 processing center and other central routing unit with which  
31 the proposed central routing unit will have direct electronic  
32 communication.

33 ~~c-~~ (3) The location of the proposed central routing unit.

34 ~~d-~~ (4) A schedule of the charges which will be required to  
35 be paid to that applicant by each financial institution which

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1 utilizes the proposed central routing unit.

2 ~~The application shall be accompanied by all agreements~~  
3 ~~between the proposed central routing unit and all data~~  
4 ~~processing centers and other central routing units respecting~~  
5 ~~the transmission of transaction data; and a copy of any~~  
6 ~~agreement between the proposed central routing unit and~~  
7 ~~any financial institution establishing a satellite terminal~~  
8 ~~unless that agreement theretofore has been filed with the~~  
9 ~~administrator pursuant to section 527.5.~~

10 ~~e.~~ (5) An agreement by the applicant that the proposed  
11 central routing unit will be capable of accepting and routing,  
12 and will be operated to accept and route, transmissions of data  
13 originating at any satellite terminal located in this state,  
14 except limited-function terminals, whether receiving from that  
15 terminal or from a data processing center or other central  
16 routing unit.

17 ~~f.~~ (6) A representation and undertaking that the proposed  
18 central routing unit is directly connected to every data  
19 processing center that is directly connected to a satellite  
20 terminal located in this state, and that the proposed central  
21 routing unit will provide for direct connection in the  
22 future with any data processing center that becomes directly  
23 connected to a satellite terminal located in this state. This  
24 representation and undertaking is not required of a central  
25 routing unit with respect to limited-function terminals.

26 b. The application shall be accompanied by all agreements  
27 between the proposed central routing unit and all data  
28 processing centers and other central routing units respecting  
29 the transmission of transaction data; and a copy of any  
30 agreement between the proposed central routing unit and  
31 any financial institution establishing a satellite terminal  
32 unless that agreement theretofore has been filed with the  
33 administrator pursuant to section 527.5.

34 Sec. 138. Section 533.102, subsection 3, Code 2011, is  
35 amended to read as follows:

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1     3. a. "*Credit union*" means a cooperative, nonprofit  
2 association, organized or incorporated in accordance with the  
3 provisions of this chapter or under the laws of another state  
4 or the Federal Credit Union Act, 12 U.S.C. § 1751 et seq.,  
5 for the purposes of creating a source of credit at a fair and  
6 reasonable rate of interest, of encouraging habits of thrift  
7 among its members, and of providing an opportunity for its  
8 members to use and control their own money on a democratic  
9 basis in order to improve their economic and social condition.  
10    b. A ~~credit union~~ "*credit union*" is also a supervised  
11 financial organization as that term is defined and used in  
12 chapter 537, the Iowa consumer credit code.  
13    Sec. 139. Section 536A.10, Code 2011, is amended to read as  
14 follows:  
15    **536A.10 Issuance of license.**  
16    1. If the superintendent shall find:  
17    ~~1-~~ a. That the financial responsibility, experience,  
18 character and general fitness of the applicant and of the  
19 officers thereof are such as to command the confidence of the  
20 community, and to warrant the belief that the business will be  
21 operated honestly, fairly and efficiently within the purpose of  
22 this chapter;  
23    ~~2-~~ b. That a reasonable necessity exists for a new  
24 industrial loan company in the community to be served;  
25    ~~3-~~ c. That the applicant has available for the operation  
26 of the business at the specified location paid-in capital and  
27 surplus as required by section 536A.8; and  
28    ~~4-~~ d. That the applicant is a corporation organized for  
29 pecuniary profit under the laws of the state of Iowa.  
30    2. The superintendent shall approve the application and  
31 issue to the applicant a license to engage in the industrial  
32 loan business in accordance with the provisions of this  
33 chapter. The superintendent shall approve or deny an  
34 application for a license within one hundred twenty days from  
35 the date of the filing of such application.



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1     Sec. 140. Section 542B.2, Code 2011, is amended to read as  
2 follows:

3     **542B.2 Terms defined.**

4     As used in the chapter, unless the context otherwise  
5 requires:

6     1. ~~The “board”~~ “Board” means the engineering and land  
7 surveying examining board provided by this chapter.

8     2. “Design coordination” includes the review and  
9 coordination of technical submissions prepared by others,  
10 including as appropriate and without limitation, consulting  
11 engineers, architects, landscape architects, land surveyors,  
12 and other professionals working under the direction of the  
13 engineer.

14     ~~2. The term “engineering documents” as used in this chapter~~  
15 ~~includes all plans, specifications, drawings, and reports, if~~  
16 ~~the preparation of such documents constitutes or requires the~~  
17 ~~practice of engineering.~~

18     3. ~~The term “engineer intern” as used in this chapter~~  
19 “Engineer intern” means a person who passes an examination in  
20 the fundamental engineering subjects, but does not entitle the  
21 person to claim to be a professional engineer.

22     4. “Engineering documents” includes all plans,  
23 specifications, drawings, and reports, if the preparation  
24 of such documents constitutes or requires the practice of  
25 engineering.

26     5. “Engineering surveys” includes all survey activities  
27 required to support the sound conception, planning, design,  
28 construction, maintenance, and operation of engineered  
29 projects, but excludes the surveying of real property for the  
30 establishment of land boundaries, rights-of-way, easements, and  
31 the dependent or independent surveys or resurveys of the public  
32 land survey system.

33     ~~4. 6. The term “in responsible charge” as used in this~~  
34 ~~chapter~~ “In responsible charge” means having direct control of  
35 and personal supervision over any land surveying work or work

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1 involving the practice of engineering. One or more persons,  
2 jointly or severally, may be in responsible charge.  
3 ~~5. a. The practice of "land surveying" includes providing~~  
4 ~~professional services such as consultation, investigation,~~  
5 ~~testimony, evaluation, planning, mapping, assembling, and~~  
6 ~~interpreting reliable scientific measurements and information~~  
7 ~~relative to the location of property lines or boundaries, and~~  
8 ~~the utilization, development, and interpretation of these facts~~  
9 ~~into an orderly survey, plat, or map. The practice of land~~  
10 ~~surveying includes, but is not limited to, the following:~~  
11 ~~(1) Locating, relocating, establishing, reestablishing,~~  
12 ~~setting, or resetting of permanent monumentation for any~~  
13 ~~property line or boundary of any tract or parcel of land.~~  
14 ~~Setting permanent monuments constitutes an improvement to real~~  
15 ~~property.~~  
16 ~~(2) Making any survey for the division or subdivision of any~~  
17 ~~tract or parcel of land.~~  
18 ~~(3) Determination, by the use of the principles of land~~  
19 ~~surveying, of the position for any permanent survey monument or~~  
20 ~~reference point, or setting, resetting, or replacing any survey~~  
21 ~~monument or reference point excluding the responsibility of~~  
22 ~~engineers pursuant to section 314.8.~~  
23 ~~(4) Creating and writing metes and bounds descriptions as~~  
24 ~~defined in section 354.2.~~  
25 ~~(5) Geodetic surveying for determination of the size and~~  
26 ~~shape of the earth both horizontally and vertically for the~~  
27 ~~precise positioning of permanent land survey monuments on~~  
28 ~~the earth utilizing angular and linear measurements through~~  
29 ~~spatially oriented spherical geometry.~~  
30 ~~(6) Creation, preparation, or modification of electronic~~  
31 ~~or computerized data, including land information systems and~~  
32 ~~geographical information systems, relative to the performance~~  
33 ~~of the activities identified in subparagraphs (1) through (5).~~  
34 ~~b. This subsection does not prohibit a professional engineer~~  
35 ~~from practicing any aspect of the practice of engineering. A~~



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1 ~~land surveyor is not prohibited from performing engineering~~  
2 ~~surveys as defined in the practice of engineering.~~  
3 ~~c. A person is construed to be engaged in or offering to be~~  
4 ~~engaged in the practice of land surveying if the person does~~  
5 ~~any of the following:~~  
6 ~~(1) Engages in land surveying.~~  
7 ~~(2) Makes a representation by verbal claim, sign,~~  
8 ~~advertisement, letterhead, card, or other manner that the~~  
9 ~~person is a land surveyor.~~  
10 ~~(3) Uses any title which implies that the person is a land~~  
11 ~~surveyor or that the person is licensed under this chapter.~~  
12 ~~(4) Holds the person's self out as able to perform, or who~~  
13 ~~does perform, any service or work included in the practice of~~  
14 ~~land surveying.~~  
15 ~~6. 7. The term "land surveying documents" as used in this~~  
16 ~~chapter "Land surveying documents" includes all plats, maps,~~  
17 ~~surveys, and reports, if the preparation thereof constitutes or~~  
18 ~~requires the practice of land surveying.~~  
19 ~~7. 8. The term "land surveyor" as used in this chapter~~  
20 ~~shall mean "Land surveyor" means a person who engages in the~~  
21 ~~practice of land surveying as defined in this section.~~  
22 ~~8. 9. a. "Practice of engineering" as used in this~~  
23 ~~chapter means any service or creative work, the adequate~~  
24 ~~performance of which requires engineering education, training,~~  
25 ~~and experience in the application of special knowledge of the~~  
26 ~~mathematical, physical, and engineering sciences, such as~~  
27 ~~consultation, investigation, evaluation, planning, design and~~  
28 ~~design coordination of engineering works and systems, planning~~  
29 ~~the use of land and water, performing engineering surveys and~~  
30 ~~studies, and the review of construction for the purpose of~~  
31 ~~monitoring compliance with drawings and specifications, any of~~  
32 ~~which embraces such services or creative work, either public~~  
33 ~~or private, in connection with any utilities, structures,~~  
34 ~~buildings, machines, equipment, processes, work systems,~~  
35 ~~projects, and industrial or consumer products or equipment of~~

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1 a mechanical, electrical, hydraulic, pneumatic, or thermal  
2 nature, insofar as they involve safeguarding life, health, or  
3 property, and including such other professional services as  
4 may be necessary to the planning, progress, and completion of  
5 the services identified in this ~~paragraph subsection~~. *“Design*  
6 *coordination”* ~~includes the review and coordination of technical~~  
7 ~~submissions prepared by others, including as appropriate and~~  
8 ~~without limitation, consulting engineers, architects, landscape~~  
9 ~~architects, land surveyors, and other professionals working~~  
10 ~~under the direction of the engineer. “Engineering surveys”~~  
11 ~~includes all survey activities required to support the sound~~  
12 ~~conception, planning, design, construction, maintenance, and~~  
13 ~~operation of engineered projects, but excludes the surveying~~  
14 ~~of real property for the establishment of land boundaries,~~  
15 ~~rights-of-way, easements, and the dependent or independent~~  
16 ~~surveys or resurveys of the public land survey system.~~

17 *b.* A person is construed to be engaged in the practice of  
18 engineering if the person does any of the following:

19 *a.* (1) Practices any branch of the profession of  
20 engineering.

21 *b.* (2) Makes a representation by verbal claim, sign,  
22 advertisement, letterhead, card, or other manner that the  
23 person is a professional engineer.

24 *c.* (3) Uses any title which implies that the person is a  
25 professional engineer or that the person is certified under  
26 this chapter.

27 *d.* (4) The person holds the person's self out as able to  
28 perform, or who does perform, any service or work included in  
29 the practice of engineering.

30 10. *a.* *“Practice of land surveying”* includes providing  
31 professional services such as consultation, investigation,  
32 testimony, evaluation, planning, mapping, assembling, and  
33 interpreting reliable scientific measurements and information  
34 relative to the location of property lines or boundaries, and  
35 the utilization, development, and interpretation of these facts

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1 into an orderly survey, plat, or map. The practice of land  
2 surveying includes but is not limited to the following:  
3 (1) Locating, relocating, establishing, reestablishing,  
4 setting, or resetting of permanent monumentation for any  
5 property line or boundary of any tract or parcel of land.  
6 Setting permanent monuments constitutes an improvement to real  
7 property.  
8 (2) Making any survey for the division or subdivision of any  
9 tract or parcel of land.  
10 (3) Determination, by the use of the principles of land  
11 surveying, of the position for any permanent survey monument or  
12 reference point, or setting, resetting, or replacing any survey  
13 monument or reference point excluding the responsibility of  
14 engineers pursuant to section 314.8.  
15 (4) Creating and writing metes and bounds descriptions as  
16 defined in section 354.2.  
17 (5) Geodetic surveying for determination of the size and  
18 shape of the earth both horizontally and vertically for the  
19 precise positioning of permanent land survey monuments on  
20 the earth utilizing angular and linear measurements through  
21 spatially oriented spherical geometry.  
22 (6) Creation, preparation, or modification of electronic  
23 or computerized data, including land information systems and  
24 geographical information systems, relative to the performance  
25 of the activities identified in subparagraphs (1) through (5).  
26 b. This subsection does not prohibit a professional engineer  
27 from practicing any aspect of the practice of engineering. A  
28 land surveyor is not prohibited from performing engineering  
29 surveys as defined in the practice of engineering.  
30 c. A person is construed to be engaged in or offering to be  
31 engaged in the practice of land surveying if the person does  
32 any of the following:  
33 (1) Engages in land surveying.  
34 (2) Makes a representation by verbal claim, sign,  
35 advertisement, letterhead, card, or other manner that the

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1 person is a land surveyor.

2     (3) Uses any title which implies that the person is a land  
3 surveyor or that the person is licensed under this chapter.

4     (4) Holds the person's self out as able to perform, or who  
5 does perform, any service or work included in the practice of  
6 land surveying.

7     ~~9.~~ 11. ~~The term "professional engineer" as used in this~~  
8 ~~chapter "Professional engineer"~~ means a person, who, by  
9 reason of the person's knowledge of mathematics, the physical  
10 sciences, and the principles of engineering, acquired by  
11 professional education or practical experience, is qualified to  
12 engage in the practice of engineering.

13     Sec. 141. Section 542B.14, Code 2011, is amended to read as  
14 follows:

15     **542B.14 General requirements for licensure — temporary**  
16 **permit to practice engineering.**

17     1. Each applicant for licensure as a professional engineer  
18 or land surveyor shall have all of the following requirements,  
19 respectively, to wit:

20     ~~1.~~ a. As a professional engineer:

21     ~~a.~~ (1) (a) Graduation from a course in engineering of  
22 four years or more in a school or college which, in the opinion  
23 of the board, will properly prepare the applicant for the  
24 examination in fundamental engineering subjects.

25     ~~(2)~~ (b) However, prior to July 1, 1988, in lieu of  
26 compliance with subparagraph ~~(1)~~ division (a), the board may  
27 accept eight years' practical experience which, in the opinion  
28 of the board, is of satisfactory character to properly prepare  
29 the applicant for the examination in fundamental engineering  
30 subjects.

31     ~~(3)~~ (c) Between July 1, 1988, and June 30, 1991, in  
32 lieu of compliance with subparagraph ~~(1)~~ division (a), the  
33 board shall require satisfactory completion of a minimum of  
34 two years of postsecondary study in mathematics, physical  
35 sciences, engineering technology, or engineering at an

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1 institution approved by the board, and may accept six years'  
2 practical experience which, in the opinion of the board, is of  
3 satisfactory character to properly prepare the applicant for  
4 the examination in fundamental engineering subjects.

5 ~~(4)~~ (d) For applicants who obtained an associate of science  
6 degree or a more advanced degree between July 1, 1983, and  
7 June 30, 1988, in lieu of compliance with subparagraph ~~(1)~~  
8 division (a), the board shall only require compliance with the  
9 provisions of subparagraph ~~(3)~~ division (c) with regard to  
10 areas of study and practical experience. Applicants qualifying  
11 under this subparagraph division must meet the requirements of  
12 ~~paragraph "b"~~ subparagraph (2), by June 30, 2001.

13 ~~b-~~ (2) Successfully passing a written, oral, or written  
14 and oral examination in fundamental engineering subjects which  
15 is designed to show the knowledge of general engineering  
16 principles. A person passing the examination in fundamental  
17 engineering subjects is entitled to a certificate as an  
18 engineer intern.

19 ~~c-~~ (3) In addition to any other requirement, a specific  
20 record of four years or more of practical experience in  
21 engineering work which is of a character satisfactory to the  
22 board.

23 ~~d-~~ (4) Successfully passing a written, oral, or written  
24 and oral examination designed to determine the proficiency and  
25 qualifications to engage in the practice of engineering. No  
26 applicant shall be entitled to take this examination until  
27 the applicant shows the necessary practical experience in  
28 engineering work.

29 ~~2-~~ b. As a land surveyor:

30 ~~a-~~ (1) (a) Graduation from a course of two years or more  
31 in mathematics, physical sciences, mapping and surveying, or  
32 engineering in a school or college and six years of practical  
33 experience, all of which, in the opinion of the board,  
34 will properly prepare the applicant for the examination in  
35 fundamental land surveying subjects.

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1    ~~(2)~~ (b) However, prior to July 1, 1988, in lieu of  
2 compliance with subparagraph ~~(1)~~ division (a), the board may  
3 accept eight years' practical experience which, in the opinion  
4 of the board, is of satisfactory character to properly prepare  
5 the applicant for the examination in fundamental land surveying  
6 subjects.

7    ~~b.~~ (2) Successfully passing a written, oral, or written and  
8 oral examination in fundamental land surveying subjects which  
9 is designed to show the knowledge of general land surveying  
10 principles.

11   ~~c.~~ (3) In addition to any other requirement, a specific  
12 record of four years or more of practical experience in land  
13 surveying work which is of a character satisfactory to the  
14 board.

15   ~~d.~~ (4) Successfully passing a written, oral, or written  
16 and oral examination designed to determine the proficiency and  
17 qualifications to engage in the practice of land surveying.  
18 No applicant shall be entitled to take this examination until  
19 the applicant shows the necessary practical experience in land  
20 surveying work.

21   2. The board may establish by rule a temporary permit and  
22 a fee to permit an engineer to practice for a period of time  
23 without applying for licensure.

24   Sec. 142. Section 548.112, Code 2011, is amended to read as  
25 follows:

26    **548.112 Infringement.**

27    1. Subject to section 548.116, a person shall not do any of  
28 the following:

29    ~~1.~~ a. Use, without the consent of the registrant, any  
30 reproduction, counterfeit, copy, or colorable imitation of a  
31 mark registered under this chapter in connection with the sale,  
32 distribution, offering for sale, or advertising of any goods or  
33 services on or in connection with which such use is likely to  
34 cause confusion or mistake, or to deceive as to the source of  
35 origin of such goods or services.

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1    ~~2.~~ b. Reproduce, counterfeit, copy, or colorably imitate  
2 any such mark and apply such reproduction, counterfeit, copy,  
3 or colorable imitation to labels, signs, prints, packages,  
4 wrappers, receptacles, or advertisements intended to be used  
5 upon or in connection with the sale or other distribution in  
6 this state of such goods or services.

7    2. The person shall be liable in a civil action by the  
8 registrant for any or all of the remedies provided in section  
9 548.114, except that under subsection 2 1, paragraph "b", the  
10 registrant shall not be entitled to recover profits or damages  
11 unless the acts have been committed with the intent to cause  
12 confusion or mistake or to deceive.

13    Sec. 143. Section 551A.1, subsection 4, Code 2011, is  
14 amended to read as follows:

15    4. a. "Franchise" means a contract between a seller and a  
16 purchaser where the parties agree to all of the following:

17    ~~a.~~ (1) A franchisee is granted the right to engage in  
18 the business of offering, selling, or distributing goods or  
19 services under a marketing plan prescribed in substantial part  
20 by a franchisor.

21    ~~b.~~ (2) The operation of the franchisee's business  
22 pursuant to such a plan is substantially associated with the  
23 franchisor's business and trademark, service mark, trade name,  
24 logotype, advertising, or other commercial symbol designating  
25 the franchisor or its affiliate.

26    b. For the purposes of this subsection, ~~"franchisee":~~

27    (1) "Franchisee" means a person to whom a franchise is  
28 granted ~~and "franchisor".~~

29    (2) "Franchisor" means a person who grants a franchise.

30    Sec. 144. Section 554.2103, subsection 3, Code 2011, is  
31 amended to read as follows:

32    3. ~~"Control" as provided in section 554.7106 and the~~ The  
33 following definitions in other Articles apply to this Article:

34    a. "Check"..... Section 554.3104

35    b. "Consignee"..... Section 554.7102

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1    c.   "Consignor"..... Section 554.7102  
2    d.   "Consumer goods"..... Section 554.9102  
3    e.   "Control"..... Section 554.7106  
4    f.   "Dishonor"..... Section 554.3502  
5    g.   "Draft"..... Section 554.3104  
6    Sec. 145. Section 554.4104, subsection 3, Code 2011, is  
7 amended to read as follows:  
8    3. ~~"Control" as provided in section 554.7106 and the~~ The  
9 following definitions in other Articles apply to this Article:  
10   a.   "Acceptance"..... Section 554.3409  
11   b.   "Alteration"..... Section 554.3407  
12   c.   "Cashier's check"..... Section 554.3104  
13   d.   "Certificate of deposit"..... Section 554.3104  
14   e.   "Certified check"..... Section 554.3409  
15   f.   "Check"..... Section 554.3104  
16   g.   "Control"..... Section 554.7106  
17   h.   "Holder in due course"..... Section 554.3302  
18   i.   "Instrument"..... Section 554.3104  
19   j.   "Notice of dishonor"..... Section 554.3503  
20   k.   "Order"..... Section 554.3103  
21   l.   "Ordinary care"..... Section 554.3103  
22   m.   "Person entitled to enforce" ... Section 554.3301  
23   n.   "Presentment"..... Section 554.3501  
24   o.   "Promise"..... Section 554.3103  
25   p.   "Prove"..... Section 554.3103  
26   q.   "Teller's check"..... Section 554.3104  
27   r.   "Unauthorized signature"..... Section 554.3403  
28    Sec. 146. Section 554.5104, Code 2011, is amended to read  
29 as follows:  
30    **554.5104 Formal requirements.**  
31    A letter of credit, confirmation, advice, transfer,  
32 amendment, or cancellation may be issued in any form that is  
33 a record and is authenticated ~~(i)~~ by a signature or ~~(ii)~~ in  
34 accordance with the agreement of the parties or the standard  
35 practice referred to in section 554.5108, subsection 5.

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1     Sec. 147. Section 554.9102, subsection 2, Code 2011, is  
2 amended to read as follows:  
3     2. *Definitions in other Articles.* ~~"Control" as provided in~~  
4 ~~section 554.7106 and the~~ The following definitions in other  
5 Articles apply to this Article:  
6     a. "Applicant"..... Section 554.5102  
7     b. "Beneficiary"..... Section 554.5102  
8     c. "Broker"..... Section 554.8102  
9     d. "Certificated security"..... Section 554.8102  
10    e. "Check"..... Section 554.3104  
11    f. "Clearing corporation"..... Section 554.8102  
12    g. "Contract for sale"..... Section 554.2106  
13    h. "Control"..... Section 554.7106  
14    i. "Customer"..... Section 554.4104  
15    j. "Entitlement holder"..... Section 554.8102  
16    k. "Financial asset"..... Section 554.8102  
17    l. "Holder in due course"..... Section 554.3302  
18    m. "Issuer" (with respect to a letter  
19 of credit or letter-of-credit right).. Section 554.5102  
20    n. "Issuer" (with respect  
21 to a security)..... Section 554.8201  
22    o. "Issuer" (with respect  
23 to documents of title)..... Section 554.7102  
24    p. "Lease"..... Section 554.13103  
25    q. "Lease agreement"..... Section 554.13103  
26    r. "Lease contract"..... Section 554.13103  
27    s. "Leasehold interest"..... Section 554.13103  
28    t. "Lessee"..... Section 554.13103  
29    u. "Lessee in ordinary  
30 course of business"..... Section 554.13103  
31    v. "Lessor"..... Section 554.13103  
32    w. "Lessor's residual interest".... Section 554.13103  
33    x. "Letter of credit"..... Section 554.5102  
34    y. "Merchant"..... Section 554.2104  
35    z. "Negotiable instrument"..... Section 554.3104

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1	<u>aa.</u>	"Nominated person".....	Section 554.5102
2	<u>ab.</u>	"Note".....	Section 554.3104
3	<u>ac.</u>	"Proceeds of a letter of credit".	Section 554.5114
4	<u>ad.</u>	"Prove".....	Section 554.3103
5	<u>ae.</u>	"Sale".....	Section 554.2106
6	<u>af.</u>	"Securities account".....	Section 554.8501
7	<u>ag.</u>	"Securities intermediary".....	Section 554.8102
8	<u>ah.</u>	"Security".....	Section 554.8102
9	<u>ai.</u>	"Security certificate".....	Section 554.8102
10	<u>aj.</u>	"Security entitlement".....	Section 554.8102
11	<u>ak.</u>	"Uncertificated security".....	Section 554.8102

DIVISION III

INTERNAL REFERENCE CHANGES

14 Sec. 148. Section 225C.28B, subsection 2, Code 2011, is  
15 amended to read as follows:

16 2. *Insurance protection.* Pursuant to section 507B.4,  
17 subsection 7 3, paragraph "g", a person or designated group of  
18 persons shall not be denied insurance coverage by reason of  
19 mental retardation, a developmental disability, brain injury,  
20 or chronic mental illness.

21 Sec. 149. Section 225C.29, Code 2011, is amended to read as  
22 follows:

23 **225C.29 Compliance.**

24 Except for a violation of section 225C.28B, subsection  
25 2, the sole remedy for violation of a rule adopted by the  
26 commission to implement sections 225C.25 through 225C.28B shall  
27 be by a proceeding for compliance initiated by request to the  
28 division pursuant to chapter 17A. Any decision of the division  
29 shall be in accordance with due process of law and is subject  
30 to appeal to the Iowa district court pursuant to sections  
31 17A.19 and 17A.20 by any aggrieved party. Either the division  
32 or a party in interest may apply to the Iowa district court  
33 for an order to enforce the decision of the division. Any  
34 rules adopted by the commission to implement sections 225C.25  
35 through 225C.28B do not create any right, entitlement, property

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1 or liberty right or interest, or private cause of action for  
2 damages against the state or a political subdivision of the  
3 state or for which the state or a political subdivision of the  
4 state would be responsible. Any violation of section 225C.28B,  
5 subsection 2, shall solely be subject to the enforcement by the  
6 commissioner of insurance and penalties granted by chapter 507B  
7 for a violation of section 507B.4, subsection 7 3, paragraph  
8 "g".

9 Sec. 150. Section 455B.473, subsection 4, Code Supplement  
10 2011, is amended to read as follows:

11 4. An owner or operator of a storage tank described in  
12 section 455B.471, subsection 11, paragraph ~~"a"~~ "b", subparagraph  
13 (1), subparagraph division (a), which brings the tank into  
14 use after July 1, 1987, shall notify the department of the  
15 existence of the tank within thirty days. The registration  
16 of the tank shall be accompanied by a fee of ten dollars to  
17 be deposited in the storage tank management account. A tank  
18 which is existing before July 1, 1987, shall be reported to the  
19 department by July 1, 1989. Tanks under this section installed  
20 on or following July 1, 1987, shall comply with underground  
21 storage tank regulations adopted by rule by the department.

22 Sec. 151. Section 491.5, subsection 8, Code 2011, is amended  
23 to read as follows:

24 8. Any provision eliminating or limiting the personal  
25 liability of a director to the corporation or its shareholders  
26 or members for money damages as provided in section 490.202,  
27 subsection 2, paragraph ~~"d"~~, except that section 490.202,  
28 subsection 2, paragraph ~~"d"~~, subparagraph (1), subparagraph ~~{3}~~  
29 division (c), shall have no application.

30 Sec. 152. Section 507B.7, subsection 1, paragraph c, Code  
31 Supplement 2011, is amended to read as follows:

32 c. Payment of interest at the rate of ten percent per  
33 annum if the commissioner finds that the insurer failed to pay  
34 interest as required under section 507B.4, subsection ~~16~~ 3,  
35 paragraph "p".

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1 Sec. 153. Section 512B.13, Code 2011, is amended to read as  
2 follows:

3 **512B.13 Institutions.**

4 A society may create, maintain, and operate, or may  
5 establish organizations to operate, not-for-profit institutions  
6 to further the purposes permitted by section 512B.6, subsection  
7 1, paragraph ~~"b"~~ "a", subparagraph (2). The institutions may  
8 furnish services free or at a reasonable charge. Any real or  
9 personal property owned, held, or leased by the society for  
10 this purpose shall be reported in every annual statement. A  
11 not-for-profit institution so established is a charitable  
12 institution with all the rights, benefits, and privileges given  
13 to charitable institutions under the Constitution and laws of  
14 the State of Iowa. The commissioner may adopt appropriate  
15 rules and reporting requirements.

16 Sec. 154. Section 515E.4, subsection 4, Code Supplement  
17 2011, is amended to read as follows:

18 4. *Compliance with unfair claim settlement practices law.* A  
19 risk retention group, its agents, and representatives, shall  
20 comply with the unfair claim settlement practices law in  
21 section 507B.4, subsection ~~10~~ 3, paragraph ~~"j"~~.

22 Sec. 155. Section 524.302, subsection 2, paragraph c, Code  
23 2011, is amended to read as follows:

24 c. A provision eliminating or limiting the personal  
25 liability of a director to the corporation or its shareholders  
26 for monetary damages for breach of fiduciary duty as a  
27 director, provided that the provision does not eliminate  
28 or limit the liability of a director for any breach of  
29 the director's duty of loyalty to the corporation or its  
30 shareholders, for acts or omissions not in good faith or which  
31 involve intentional misconduct or a knowing violation of law,  
32 for any transaction from which the director derives an improper  
33 personal benefit, or under section 524.605, subsection 1,  
34 paragraph "a" or 2 "b". A provision shall not eliminate or  
35 limit the liability of a director for any act or omission

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1 occurring prior to the date when the provision in the articles  
2 of incorporation becomes effective.

3 Sec. 156. Section 536A.30, subsection 2, Code 2011, is  
4 amended to read as follows:

5 2. Section 536A.10, ~~subsections 2, 3, and 4~~ subsection 1,  
6 paragraphs "b", "c", and "d".

7 DIVISION IV

8 DIRECTIVES

9 Sec. 157. CODE EDITOR DIRECTIVES.

10 1. Sections 175.6, subsection 12; and 331.652, subsection  
11 4, Code 2011, are amended by striking the word "co-operation"  
12 and inserting in lieu thereof the word "cooperation".

13 2. Sections 28D.1, 321.6, and 341A.17, Code 2011, are  
14 amended by striking the word "co-operation" and inserting in  
15 lieu thereof the word "cooperation".

16 3. Sections 13A.9, subsection 2; 29C.1, subsection 3;  
17 169.19, subsection 5; 175.6, subsection 5; 273.9, subsection 2;  
18 and 403.12, subsection 1, Code 2011, are amended by striking  
19 the word "co-operate" and inserting in lieu thereof the word  
20 "cooperate".

21 4. Sections 177A.4, 199.14, 249.12, and 321.6, Code 2011,  
22 are amended by striking the word "co-operate" and inserting in  
23 lieu thereof the word "cooperate".

24 5. Section 179.1, subsection 5, Code 2011, is amended by  
25 striking the word "co-operatives" and inserting in lieu thereof  
26 the word "cooperatives".

27 6. Sections 185.1, subsection 5; 185C.1, subsection 7;  
28 215A.1, subsection 4; and 419.1, subsection 4, Code 2011, are  
29 amended by striking the word "co-operative" and inserting in  
30 lieu thereof the word "cooperative".

31 7. Sections 263B.3, 456A.29, and 456B.10, Code 2011, are  
32 amended by striking the word "co-operative" and inserting in  
33 lieu thereof the word "cooperative".

34 8. Section 275.56, Code 2011, is amended by striking the  
35 word "re-employing" and inserting in lieu thereof the word

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1 "reemploying".

2 9. Section 275.56, Code 2011, is amended by striking the  
3 word "re-employed" and inserting in lieu thereof the word  
4 "reemployed".

5 10. Sections 341A.6, subsection 6; and 411.21, subsection  
6 3, Code 2011, are amended by striking the word "re-employed"  
7 and inserting in lieu thereof the word "reemployed".

8 11. The Code editor is directed to number, renumber,  
9 designate, or redesignate to eliminate unnumbered paragraphs  
10 within sections 491.5, 491.111, 496C.21, 499.47C, 499.67,  
11 499A.2A, 501.617, 507A.3, 507C.12, 510.2, 511.10, 514B.4,  
12 514B.14, 514B.20, 515.70, 515F.3, 515G.3, 518.11, 524.224,  
13 524.604, 524.801, 524.825, 524.1102, 524.1508, 538.5, 544A.11,  
14 544A.21, 544A.25, 544B.9, 544B.14, 544C.3, 548.103, 548.113,  
15 552.5, and 552.12, Code 2011, in accordance with established  
16 Code section hierarchy and correct internal references in the  
17 Code and in any enacted Iowa Acts, as necessary.

18 12. The Code editor is directed to number, renumber,  
19 designate, or redesignate to eliminate unnumbered paragraphs  
20 within section subunits in sections 490.120, subsection  
21 7; 490.121, subsection 1; 490.744, subsection 4; 490.824,  
22 subsection 4; 490.1301, subsection 4; 490.1701, subsection 2;  
23 490.1701, subsection 3, paragraph "b"; 496B.9, subsection 3,  
24 paragraph "b"; 499.30, subsection 2, paragraph "a"; 499.66,  
25 subsection 2; 500.3, subsection 2; 501A.206, subsection 1;  
26 501A.502, subsection 3; 501A.715, subsection 3; 501A.904,  
27 subsection 7; 501A.906, subsection 2; 501A.1003, subsection  
28 4, paragraph "b"; 502.321B, subsection 5; 502.509, subsection  
29 13B; 502A.1, subsection 4; 504.202, subsection 2, paragraph  
30 "d"; 504.503, subsection 1; 504.635, subsection 4; 504.1509,  
31 subsection 1; 507.10, subsection 4, paragraph "b", subparagraph  
32 (1); 508.36, subsection 2, paragraph "d"; 508.36, subsection  
33 5, paragraph "c", subparagraph (1), subparagraph division (c),  
34 subparagraph subdivision (v); 508.36, subsections 7 and 9;  
35 508.37, subsection 6, paragraph "a"; 508.38, subsection 2;

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1 509B.3, subsection 4; 513B.4, subsection 2; 513C.3, subsection  
2 15; 513C.7, subsection 1; 513C.10, subsection 2; 514C.4,  
3 subsection 1; 514D.5, subsection 2; 515.12, subsection 5;  
4 515.48, subsections 1 and 8; 515.109, subsection 2; 515A.18,  
5 subsection 3; 515B.5, subsection 1, paragraph "c"; 515B.6,  
6 subsection 1; 515D.2, subsection 2; 515F.5, subsection 1;  
7 515F.13, subsection 2, paragraph "d"; 516A.2, subsection 1;  
8 516E.3, subsection 1, paragraph "c"; 516E.3, subsection 2,  
9 paragraph "b"; 518C.6, subsection 1, paragraph "c"; 518C.7,  
10 subsection 1; 519A.3, subsection 3; 519A.4, subsection 1;  
11 519A.9, subsection 2; 521A.5, subsection 3, paragraphs "a" and  
12 "b"; 521A.14, subsection 7; 521B.3, subsection 3; 521C.11,  
13 subsection 1; 521D.2, subsection 3; 521E.10, subsection  
14 1; 522B.14, subsections 6, 7, and 8; 523C.5, subsection 1;  
15 523D.3, subsection 1, paragraph "n"; 523D.5, subsection 3;  
16 523G.6, subsection 3; 523I.316, subsection 3, paragraph "d";  
17 523I.508, subsections 2 and 3; 523I.812, subsection 2; 524.103,  
18 subsection 17; 524.606, subsection 2; 524.1403, subsection  
19 2; 527.5, subsection 3; 536A.20, subsection 3; 536A.25,  
20 subsection 2; 537.1301, subsection 45; 537.2501, subsection 1,  
21 paragraph "f"; 537.2510, subsection 2, paragraph "a"; 537.3612,  
22 subsection 4; 537.5110, subsection 2; 537.5201, subsection 1;  
23 537A.10, subsections 9 and 11; 537B.3, subsection 2; 543C.4,  
24 subsection 5; 546.10, subsection 3; 548.102, subsection 5;  
25 551A.3, subsection 2; 551A.4, subsection 1, paragraph "b";  
26 552A.2, subsection 6; 554.2103, subsection 2; 554.4104,  
27 subsection 2; 554.5102, subsection 2; 554.8102, subsection 1,  
28 paragraph "i"; 554.8102, subsection 2; 554.8503, subsection  
29 4; 554.12105, subsections 2 and 3; and 554.13103, subsections  
30 2 and 3, Code and Code Supplement 2011, in accordance with  
31 established Code section hierarchy and correct internal  
32 references in the Code and in any enacted Iowa Acts, as  
33 necessary.

34  
35

DIVISION V  
EFFECTIVE DATE PROVISIONS

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1 Sec. 158. EFFECTIVE DATE. The section of this Act amending  
2 602.4201, subsection 3, paragraph "h", Code 2011, as amended by  
3 2011 Iowa Acts, ch. 121, section 60, takes effect July 1, 2012.

4 EXPLANATION

5 This bill makes Code changes and corrections that are  
6 considered to be nonsubstantive and noncontroversial, in  
7 addition to style changes. Changes made include updating  
8 or correcting names of and references to public and private  
9 entities and funds, correcting internal Code references  
10 and terminology, updating United States Code and Code of  
11 Federal Regulations references, making various corrections  
12 to spelling and grammar, and renumbering and reorganizing  
13 various provisions to eliminate unnumbered paragraphs and  
14 facilitate citation. The Code sections in which the technical,  
15 grammatical, and other nonsubstantive changes are made include  
16 the following:

17 DIVISION I. Code section 6B.14: Corrects grammar in  
18 language relating to meetings of the compensation commission  
19 regarding appraisal of property sought to be condemned under  
20 eminent domain procedures.

21 Code sections 8F.2, 96.21, 97C.5, 97C.10, 97C.15, 451.1,  
22 509B.1, 513C.3, 514G.103, 634A.1, and 714G.8: Abbreviates the  
23 word "Title" in a references to federal Acts in provisions  
24 regarding government accountability and unemployment  
25 compensation and the federal Social Security Enabling Act.

26 Code sections 10B.4 and 15.104: Adds, to correct hypertext  
27 linkage, the words "Code 2011" after references to the former  
28 Code chapter that governed life sciences enterprises. Code  
29 chapter 10C was repealed by 2011 Iowa Acts, chapter 118,  
30 section 35.

31 Code section 12.87: Strikes "as follows:" and inserts a  
32 reference to paragraph "b" in paragraph "a" of this provision  
33 relating to the bonding authority of the treasurer of state, to  
34 conform the format to other provisions in the Code.

35 Code section 15.117A: Corrects the grammar by supplying

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1 the missing word "of" in this provision relating to the  
2 annual review of economic development programs by the economic  
3 development authority.

4 Code section 15.247: Redesignates paragraphs to set apart  
5 provisions relating to term limits for members of the targeted  
6 small business financial assistance board from those relating  
7 to conflicts of interest.

8 Code section 15A.9: Numbers unnumbered paragraphs within  
9 this provision relating to designation of sites as quality jobs  
10 enterprise zones.

11 Code sections 34A.15 and 80B.11C: Updates references by  
12 name to the organizations now called the Iowa professional  
13 fire fighters, the Iowa peace officers association,  
14 and the association of public-safety communications  
15 officials-international, inc., in provisions relating to the  
16 E911 communications council and telecommunicator training  
17 standards.

18 Code sections 80B.11A, 80E.2, 356.36, and 356.37: Updates  
19 references by name to the organization now called the Iowa  
20 peace officers association in provisions relating to the  
21 membership of the drug policy advisory council, jail and jailer  
22 training standards, and a report on confinement and detention  
23 needs of jails and municipal holding facilities.

24 Code section 96.27: Strikes an incorrect self-reference  
25 in a reference to Code section 96.25 in language relating  
26 to approval of purchases of premises with funds granted  
27 or credited under the federal Social Security Act or the  
28 Wagner-Peyser Act.

29 Code section 99D.11: Corrects references to the method of  
30 wagering known as "advance deposit" wagering in the provision  
31 governing licensees of horse or dog racetracks and authorizing  
32 the acceptance of advance deposit wagers.

33 Code sections 100B.1 and 411.36: Updates references by  
34 name to the organization now called the Iowa professional fire  
35 fighters in provisions regarding the state fire service and



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1 emergency response council and the board of trustees for the  
2 statewide fire and police retirement system.

3 Code section 105.2: Changes "refrigerated equipment" to  
4 "refrigeration equipment" within the definition of "hydronic"  
5 in the Code chapter on the licensing of plumbers, mechanical  
6 professionals, and contractors.

7 Code sections 124.401, 161G.3, and 456A.33B: Corrects  
8 the spelling of the chemical name "phosphorus" in provisions  
9 relating to controlled substances, the Mississippi river basin  
10 health watersheds initiative, and lake restoration.

11 Code section 135.105: Corrects the spelling of the word  
12 "specialty" within language describing the duty of the  
13 department of public health to coordinate childhood lead  
14 poisoning prevention programs with other entities and programs.

15 Code sections 135.159, 225B.3, 225C.6, 231E.4, 249A.4B,  
16 and 256.35A: Updates references by name to the organization  
17 now called the Iowa developmental disabilities council in  
18 provisions regarding the membership of the medical home  
19 system advisory council, the prevention of disabilities  
20 policy council, the medical assistance advisory council, and  
21 the Iowa autism council, and the duties of the mental health  
22 and disability services commission and the state office of  
23 substitute decision maker.

24 Code sections 162.20 and 455B.171: Completes Code of  
25 Federal Regulations references in provisions regarding the  
26 sterilization of dogs and cats and sewage sludge.

27 Code section 241.3: Corrects a reference to the office  
28 on the status of women of the department of human rights in  
29 a provision regarding the provision of services to displaced  
30 homemakers by the department of human services.

31 Code section 256.32: Corrects a reference by name to the  
32 postsecondary agriculture student organization of Iowa in a  
33 provision establishing the advisory council for agricultural  
34 education.

35 Code section 256C.5: Adds the words "Code 2011" after a

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1 reference to 256C.6, which was repealed in 2011, in language  
2 relating to funding for the preschool foundation aid program.  
3 Code sections 260H.2 and 260H.8: Corrects two references by  
4 name to the department of workforce development in the pathways  
5 for academic career and employment Act chapter.  
6 Code sections 273.2 and 273.3: Rewrites two citation series  
7 to eliminate internal self-references in provisions relating  
8 to the powers and duties of area education agencies and area  
9 education agency boards.  
10 Code section 280.13C: Renumbers, reorganizes, and places  
11 definitions in alphabetical order in language relating to  
12 school policies on brain injury and student participation in  
13 extracurricular interscholastic activities.  
14 Code sections 313.3, 410.1, and 451.1: Updates state and  
15 federal Acts citations to the current Code style and format in  
16 provisions relating to federal highway fund revenue, police and  
17 fire fighter pension funds, and state estate taxes.  
18 Code sections 331.512 and 331.559: Corrects the name  
19 of the brucellosis and tuberculosis eradication fund in  
20 provisions relating to levy of taxes for the fund. The fund  
21 was renamed and placed under the jurisdiction of the department  
22 of agriculture and land stewardship in 1983 Iowa Acts, chapter  
23 123.  
24 Code section 403.21: Strikes an extraneous "and" in a  
25 series in language relating to communications between community  
26 colleges and the economic development authority regarding new  
27 jobs training agreements.  
28 Code section 437A.3: Renumbers to eliminate unnumbered  
29 paragraphs within the definitions of "local amount" and "major  
30 addition" in the definitions section for the chapter on taxes  
31 on electricity and natural gas providers.  
32 Code sections 452A.5 and 452A.8: Renumbers to eliminate  
33 unnumbered paragraphs within these provisions relating to motor  
34 fuel and special fuel taxes.  
35 Code section 453A.13: Eliminates redundant language and

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1 adds punctuation to a series in language relating to fees for  
2 cigarette distributor, wholesaler, and retailer permits.

3 Code section 455B.261: Splits a paragraph and renumbers  
4 within a definition of the term "established average minimum  
5 flow" in the definitions section that relates to water  
6 allocation and use to distinguish the separate definition of  
7 "average minimum flow".

8 Code section 455B.423: Adds the word "to" to conform the  
9 grammar of the subparagraph regarding hazardous waste disposal  
10 agreements to the grammar of the rest of the paragraph.

11 Code section 455B.471: Renumbers within a definition of  
12 "underground storage tank" to group together the provisions  
13 that describe the tanks and other holding devices that do not  
14 fall within the definition.

15 Code section 455B.474: Corrects internal references within  
16 provisions regarding corrective actions by owners of property  
17 on which there has been a release of a regulated substance from  
18 an underground storage tank and establishment of financial  
19 responsibility by tank owners.

20 Code section 462A.52: Corrects a citation to an Iowa Act by  
21 adding the word "Iowa" in this provision relating to a report  
22 by the department of natural resources on programs to control  
23 aquatic invasive species and for the enforcement of navigation  
24 and water safety laws.

25 Code section 466B.3: Completes a reference to the official  
26 title of the secretary of agriculture in language describing  
27 the membership of the water resources coordinating council.

28 Code section 468.174: Numbers and letters paragraphs to  
29 provide hierarchical Code structure to language relating  
30 to drainage district membership fees and annual dues for  
31 membership in the national drainage association.

32 Code section 476.1: Redesignates unnumbered paragraphs  
33 and subsections to conform this provision relating to the  
34 regulatory authority of the utilities board to current Code  
35 hierarchy and format.

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1 Code section 476.1D: Corrects an internal reference by  
2 changing the word "paragraph" to "subparagraph" within a  
3 provision relating to extensions of utility board retail  
4 rate jurisdiction over increases in residential and business  
5 telephone rates.

6 Code sections 499.47B, 499.64, 501.203, 501.204, 501.601,  
7 and 501.603: Adds the word "vote" after the word "which" in  
8 nearly identical language in each of these Code provisions  
9 which describe the majority requirements that must be met  
10 in order for cooperatives to engage in various types of  
11 activities.

12 Code section 501.614: Rewrites by replacing the words "in  
13 which" with "and" and adding "in the voting" at the end of  
14 language relating to the majority requirements that must be  
15 met in order for a cooperative to approve a plan of merger or  
16 consolidation.

17 Code section 524.221: Corrects a typographical error in a  
18 language relating to records of federally chartered savings and  
19 loan associations.

20 Code section 558.66: Adds the missing word "in" to correct  
21 a clerical error in language relating to instruments used to  
22 update the county transfer books and index.

23 2011 Iowa Acts, chapter 121, section 60: Corrects a singular  
24 article and plural noun disagreement within a future amendment  
25 to Code section 602.4201, effective July 1, 2012, to language  
26 regarding involuntary commitment proceedings for persons with  
27 alcohol or chemical dependency disorders.

28 Code section 717.5: Adds the missing word "of" to correct  
29 a clerical error in language relating to the maintaining and  
30 disposal of neglected livestock that has been rescued by local  
31 authorities.

32 DIVISION II. The Code sections in this division are amended  
33 by numbering, renumbering, designating, or redesignating  
34 provisions within volume V of the Code, and by changing  
35 textual references as necessary. The purposes of the Code

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1 changes are to conform the Code provisions to existing Code  
2 section hierarchy, to eliminate "unanchored" unnumbered  
3 paragraphs within the Code sections, to facilitate Code section  
4 readability, and to facilitate citation to those Code sections.

5 DIVISION III. This division contains corrections to  
6 internal references to Code sections that are numbered,  
7 renumbered, designated, or redesignated in division II of this  
8 bill.

9 DIVISION IV. This division contains Code editor directives  
10 to correct hyphenation in the words "cooperation", "cooperate",  
11 "cooperative", "reemploying", and "reemployed" and to number,  
12 renumber, designate, or redesignate Code provisions to  
13 eliminate "unanchored" unnumbered paragraphs in Code provisions  
14 in volume V of the Code that do not require any additional  
15 textual reference corrections.

16 DIVISION V. This division contains an effective date  
17 provision relating to a corrective change to 2011 Iowa Acts,  
18 chapter 121, section 60, that is contained in division I of the  
19 bill.



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House File 2329 - Introduced

HOUSE FILE 2329  
BY COMMITTEE ON VETERANS  
AFFAIRS

(SUCCESSOR TO HF 2026)

A BILL FOR

1 An Act providing for the issuance of special hunting licenses  
2 to certain nonresident disabled veterans.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 483A.24, subsections 3 and 4, Code  
2 Supplement 2011, are amended to read as follows:  
3 3. The director shall provide up to seventy-five  
4 nonresident deer hunting licenses for allocation as provided  
5 in this subsection.  
6 a. Thirty-five of the nonresident deer hunting licenses  
7 shall be allocated as requested by a majority of a committee  
8 consisting of the majority leader of the senate, speaker of  
9 the house of representatives, and director of the economic  
10 development authority, or their designees. The licenses  
11 provided pursuant to this subsection shall be in addition  
12 to the number of nonresident licenses authorized pursuant  
13 to section 483A.8. The purpose of the special nonresident  
14 licenses is to allow state officials and local development  
15 groups to promote the state and its natural resources to  
16 nonresident guests and dignitaries. Photographs, videotapes,  
17 or any other form of media resulting from the hunting  
18 visitation shall not be used for political campaign purposes.  
19 The nonresident licenses shall be issued without application  
20 upon payment of the nonresident deer hunting license fee and  
21 the wildlife habitat fee. The licenses are valid in all zones  
22 open to deer hunting. The hunter safety and ethics education  
23 certificate requirement pursuant to section 483A.27 is waived  
24 for a nonresident issued a license pursuant to this subsection.  
25 b. Forty of the nonresident deer hunting licenses shall be  
26 allocated as provided in subsection 4A.  
27 4. The director shall provide up to ~~twenty-five~~  
28 ~~seventy-five~~ nonresident wild turkey hunting licenses for  
29 allocation as provided in this subsection.  
30 a. Thirty-five of the nonresident wild turkey hunting  
31 licenses shall be allocated as requested by a majority of a  
32 committee consisting of the majority leader of the senate,  
33 speaker of the house of representatives, and director of the  
34 economic development authority, or their designees. The  
35 licenses provided pursuant to this subsection shall be in

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1 addition to the number of nonresident licenses authorized  
2 pursuant to section 483A.7. The purpose of the special  
3 nonresident licenses is to allow state officials and local  
4 development groups to promote the state and its natural  
5 resources to nonresident guests and dignitaries. Photographs,  
6 videotapes, or any other form of media resulting from the  
7 hunting visitation shall not be used for political campaign  
8 purposes. The nonresident licenses shall be issued without  
9 application upon payment of the nonresident wild turkey hunting  
10 license fee and the wildlife habitat fee. The licenses are  
11 valid in all zones open to wild turkey hunting. The hunter  
12 safety and ethics education certificate requirement pursuant to  
13 section 483A.27 is waived for a nonresident issued a license  
14 pursuant to this subsection.

15 b. Forty of the nonresident wild turkey hunting licenses  
16 shall be allocated as provided in subsection 4A.

17 Sec. 2. Section 483A.24, Code Supplement 2011, is amended by  
18 adding the following new subsection:

19 NEW SUBSECTION. 4A. Forty of the nonresident deer  
20 hunting licenses and wild turkey hunting licenses allocated  
21 when subsections 3 and 4 shall be available for issuance to  
22 nonresidents who have served in the armed forces of the United  
23 States on active federal service and who were disabled during  
24 the veteran's military service to enable the disabled veteran  
25 to participate in a hunt that is conducted by an organization  
26 that conducts hunting experiences in this state for disabled  
27 veterans. The licenses shall be issued as follows:

28 a. The department shall prepare an application to be used by  
29 a person requesting a special license under this subsection.

30 (1) The department shall verify that the license will be  
31 used by the applicant in connection with a hunt conducted by  
32 an approved organization that conducts hunting experiences  
33 in this state for disabled veterans. The department shall  
34 specify, by rules adopted under chapter 17A, what requirements  
35 an organization must meet in order to be approved to conduct

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1 hunts for disabled veterans who obtain licenses under this  
2 subsection.

3 (2) The department of veterans affairs shall assist the  
4 department in verifying the status or claims of applicants  
5 under this subsection. As used in this subsection, "*disabled*"  
6 means entitled to a service connected rating under 38 U.S.C.  
7 ch. 11 with a degree of disability of thirty percent or more or  
8 a person who is on active duty and has been awarded the purple  
9 heart for disabilities incurred in action.

10 b. A license issued under this subsection shall be in  
11 addition to the number of nonresident wild turkey hunting  
12 licenses authorized pursuant to section 483A.7 and nonresident  
13 deer hunting licenses authorized pursuant to section 483A.8.  
14 However, a nonresident who obtains a license pursuant to  
15 this subsection is not eligible to obtain a nonresident deer  
16 hunting license or wild turkey hunting license under any other  
17 provision of law.

18 c. A disabled veteran who receives a special license  
19 under this subsection shall purchase a hunting license, and  
20 a wild turkey hunting license or a deer hunting license, if  
21 applicable, and pay the wildlife habitat fee, all for the same  
22 fee that is charged to resident hunters. If hunting deer,  
23 the disabled veteran shall also pay a one dollar fee that  
24 shall be used and is appropriated for the purpose of deer herd  
25 population management, including assisting with the cost of  
26 processing deer donated to the help us stop hunger program  
27 administered by the commission.

28 d. A disabled veteran who receives a special license under  
29 this subsection shall complete the hunter safety and ethics  
30 education course.

31 e. A license issued under this subsection is valid for use  
32 only on a hunt conducted by an organization approved under this  
33 subsection.

34 f. The commission shall adopt rules under chapter 17A for  
35 the administration of this subsection.

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EXPLANATION

1  
2 This bill requires the director of the department of  
3 natural resources to issue special deer hunting licenses and  
4 wild turkey hunting licenses to certain nonresident disabled  
5 veterans for use on hunts conducted by organizations that  
6 conduct hunting experiences in the state for disabled veterans.  
7 The director is required to make available 40 of the 75  
8 special nonresident deer hunting licenses that are currently  
9 allocated by a committee to promote the state and its natural  
10 resources to nonresident guests and dignitaries, for issuance  
11 to nonresident disabled veterans. The director is also  
12 required to increase the number of special nonresident wild  
13 turkey hunting licenses from 25 to 75, and to make 40 of those  
14 licenses available for issuance to disabled veterans.  
15 The special licenses must be used in connection with a hunt  
16 conducted by an approved organization that conducts hunting  
17 experiences in the state for disabled veterans. The department  
18 is to adopt rules specifying what requirements an organization  
19 must meet to be approved.  
20 The special licenses are available to nonresident veterans  
21 who are entitled to a service connected rating under federal  
22 law with a degree of disability of 30 percent or more or to  
23 nonresidents who are on active military duty and have been  
24 awarded the purple heart for disabilities incurred in action.  
25 The department of veterans affairs shall assist the department  
26 in verifying the status of applicants for the licenses.  
27 The special licenses are in addition to the number of  
28 nonresident wild turkey and deer hunting licenses that are  
29 otherwise authorized by law. A nonresident who obtains one  
30 of the special licenses is not eligible to obtain another  
31 nonresident wild turkey or deer hunting license under any other  
32 provision of law.  
33 A nonresident who purchases a special license must also  
34 purchase a hunting license, and pay the wildlife habitat fee,  
35 all for the same fees as a resident hunter. A nonresident who

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1 purchases a special deer hunting license must also pay the  
2 \$1 fee for the purpose of deer herd population management,  
3 including assisting with the cost of processing deer donated to  
4 the help us stop hunger program.  
5 A disabled veteran who receives one of the special licenses  
6 must complete the hunter safety and ethics education course.



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House File 2330 - Introduced

HOUSE FILE 2330  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HF 2016)

A BILL FOR

1 An Act to allow a person with a special minor's license to  
2 drive to and from school and school activities along a route  
3 that begins or ends at the home of either parent.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5497HV (2) 84  
dea/nh



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H.F. 2330

1 Section 1. Section 321.194, subsection 1, paragraph a,  
2 subparagraph (1), Code Supplement 2011, is amended to read as  
3 follows:

4 (1) During the hours of 5 a.m. to 10 p.m. over the most  
5 direct and accessible route between the licensee's residence  
6 and schools of enrollment or the closest school bus stop  
7 or public transportation service, and between schools of  
8 enrollment, for the purpose of attending duly scheduled courses  
9 of instruction and extracurricular activities within the school  
10 district. For a licensee whose parents maintain separate  
11 residences, "licensee's residence" means the residence of any  
12 parent that has rights of physical custody of or visitation  
13 with the licensee, as long as that parent resides in the school  
14 district in which the licensee is enrolled or a school district  
15 that is contiguous to the school district in which the licensee  
16 is enrolled.

17 EXPLANATION

18 Under current law, a driver's license may be issued to  
19 certain persons between 14 and 18 years of age for the general  
20 purpose of driving to and from school. The license permits  
21 driving between 5 a.m. and 10 p.m. over the most direct and  
22 accessible route between the licensee's residence and schools  
23 of enrollment or the closest bus stop for the purpose of  
24 attending classes and extracurricular activities within the  
25 school district. This bill provides that if the licensee's  
26 parents maintain separate residences, the residence of any  
27 parent that has physical custody or visitation rights is  
28 considered the licensee's residence, as long as that parent  
29 resides in the school district in which the licensee is  
30 enrolled or in a contiguous school district.



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**House File 2331 - Introduced**

HOUSE FILE 2331  
BY COMMITTEE ON JUDICIARY  
  
(SUCCESSOR TO HF 2037)

**A BILL FOR**

1 An Act relating to the issuance of a search warrant to  
2 authorize the placement, tracking, and monitoring of a  
3 global positioning device.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5216HV (2) 84  
jm/rj



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H.F. 2331

1 Section 1. Section 808.1, subsection 1, Code 2011, is  
2 amended to read as follows:

3 1. *"Search warrant"* means an order in writing pursuant  
4 ~~to the requirements of section 808.3~~, in the name of the  
5 state, signed by a magistrate, and directed to a peace officer  
6 commanding the officer to search a person, premises, or thing,  
7 issued pursuant to the requirements of section 808.3, or to  
8 place, track, or monitor a global positioning device, issued  
9 pursuant to the requirements of section 808.3A.

10 Sec. 2. **NEW SECTION. 808.3A Application for search warrant**  
11 **— global positioning device.**

12 1. As used in this section, *"peace officer"* means the same  
13 as defined in section 801.4, subsection 11, paragraph *"a"*, *"b"*,  
14 or *"c"*.

15 2. *a.* A peace officer may make application to a judicial  
16 officer for the issuance of a search warrant to authorize the  
17 placement, tracking, or monitoring of a global positioning  
18 device, supported by a peace officer's oath or affirmation,  
19 which includes facts, information, and circumstances tending to  
20 establish sufficient grounds for granting the peace officer's  
21 application, and probable cause for believing the grounds  
22 exist. Upon a finding of probable cause to issue such a  
23 warrant, the judicial officer shall issue a warrant, signed  
24 by the judicial officer with the judicial officer's name of  
25 office, directed to any peace officer, commanding that the  
26 peace officer place, track, or monitor the global positioning  
27 device.

28 *b.* In addition to seeking a warrant to place, track, or  
29 monitor a global positioning device under paragraph *"a"*, a  
30 peace officer may file a special application, supported by oath  
31 or affirmation, seeking express authority from the judicial  
32 officer to physically and surreptitiously enter a residence,  
33 garage, private business, or other occupied structure to place  
34 an authorized global positioning device in such structure.  
35 The special application shall include facts and circumstances

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1 expressing that the item to which the device is to be attached  
2 is in a residence, garage, private business, or other occupied  
3 structure and no other reasonable opportunity exists to attach  
4 the device to the item unless by physically and surreptitiously  
5 entering such structure. Upon a showing of probable cause,  
6 the court may enter a specialized finding that specific facts  
7 and circumstances exist in such a way that no other reasonable  
8 opportunity exists to attach the device to the item unless  
9 by physically and surreptitiously entering such structure to  
10 attach the device. Any specialized findings shall be made part  
11 of the warrant issued.

12 3. Notwithstanding section 808.13, all information filed  
13 with the court for the purpose of securing a warrant under  
14 this section, including but not limited to the application,  
15 affidavits, and the warrant issued, shall be sealed for a  
16 period of five years. Custody of all information filed with  
17 the court including the application, affidavits, and warrant  
18 shall be in accordance with the orders of the court. The  
19 application, affidavits, warrant, and any other information  
20 relating to the application shall not be disclosed unless upon  
21 a showing of good cause before the court. All the information  
22 filed with the court including the application, the affidavits,  
23 and the warrant issued shall be destroyed after five years  
24 unless it is necessary to keep such information due to an  
25 ongoing legal process or by court order. All information filed  
26 with the court including the application, the affidavits, and  
27 the warrant shall be destroyed after a period of ten years.

28 4. A warrant issued pursuant to subsection 2 shall not  
29 authorize the placement, tracking, or monitoring of a global  
30 positioning device for a period that is longer than necessary  
31 to achieve the objective of the authorized warrant, or thirty  
32 days, whichever period is shorter. The court may grant an  
33 extension of the warrant, upon application for an extension  
34 and the court entering findings in accordance with subsection  
35 2. The period of the extension shall not be longer than the

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1 authorizing court deems necessary to achieve the objective  
2 for which the warrant was issued but in no event shall the  
3 extension exceed thirty days. All warrants issued under  
4 subsection 2 and any extension shall contain a provision  
5 that specifies that the authorization to place, track, or  
6 monitor a global positioning device shall be executed as soon  
7 as practicable and shall terminate upon attainment of the  
8 authorized objective, or thirty days, whichever is earlier.  
9 The thirty-day period specified in this subsection for a  
10 warrant issued under this section, including an extension of a  
11 warrant, shall commence on the date specified in the warrant  
12 that authorizes the placement of the global positioning device.

13 5. Notwithstanding section 808.8, subsection 1, a peace  
14 officer shall not be required to leave a copy of the warrant  
15 issued pursuant to this section.

16 EXPLANATION

17 This bill relates to the issuance of a search warrant  
18 authorizing the use of a global positioning device.

19 The bill authorizes a peace officer to make an application  
20 to a judicial officer for the issuance of a search warrant to  
21 authorize the placement, tracking, or monitoring of a global  
22 positioning device, if the application is supported by the  
23 peace officer's oath and affirmation, including other facts and  
24 circumstances that establish sufficient grounds for granting  
25 the peace officer's application, and probable cause for  
26 believing the grounds exist. Upon a finding of probable cause  
27 to issue a search warrant, the judicial officer shall issue the  
28 search warrant, commanding that the peace officer place, track,  
29 or monitor the global positioning device.

30 Current law only allows a special state agent, defined in  
31 Code section 808B.1 as a peace officer of the department of  
32 public safety, to make an application to a judicial officer for  
33 the issuance of a search warrant for the placement, tracking,  
34 or monitoring of a global positioning device in Code section  
35 808B.5(12).

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1 The bill further provides that in addition to seeking a  
2 search warrant authorizing the use of a global positioning  
3 device, a peace officer may file a special application,  
4 supported by oath or affirmation, seeking authority from the  
5 court to physically and surreptitiously enter a residence,  
6 garage, private business, or other occupied structure to place  
7 the global positioning device because no other reasonable  
8 opportunity exists to attach such device. Upon a showing of  
9 probable cause, the court may enter a specialized finding that  
10 specific facts and circumstances exist in such a way that  
11 no other reasonable opportunity exists to attach the global  
12 positioning device unless by physically and surreptitiously  
13 entering a residence, garage, private business, or other  
14 occupied structure to attach such a device.

15 The bill requires that all the information filed with the  
16 court for the purpose of securing a warrant for the placement  
17 of a global positioning device shall be sealed for a period of  
18 five years and subsequently destroyed unless it is necessary  
19 to keep such information due to an ongoing legal process or  
20 court order. The application and information relating to such  
21 a warrant may be disclosed upon a showing of good cause. The  
22 bill specifies that all the information filed with the court  
23 including the application shall be destroyed after a period of  
24 10 years.

25 A warrant issued under the bill shall not be for a period  
26 that is longer than necessary to achieve the objective of  
27 the warrant, or 30 days, whichever is shorter. A warrant  
28 issued under the bill may be extended in accordance with the  
29 same requirements to obtain a warrant in the first instance.  
30 The period of the extension shall also be no longer than is  
31 necessary to achieve the objective of the warrant, or 30 days,  
32 whichever is shorter.

33 The bill only authorizes a peace officer who is a sheriff  
34 or deputy sheriff, marshal or peace officer of a city, or a  
35 peace officer member of the department of public safety, to

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1 seek authorization for a warrant to place, track, or monitor a  
2 global positioning device.



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House File 2332 - Introduced

HOUSE FILE 2332  
BY KELLEY, WITTNEBEN, and  
HANSON

A BILL FOR

1 An Act relating to the control of aquatic invasive species in  
2 the waters of this state and including a study and report.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5954YH (2) 84  
av/nh



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H.F. 2332

1 Section 1. Section 462A.52, subsections 2 and 3, Code 2011,  
2 are amended to read as follows:

3 2. Notwithstanding subsection 1, any increase in revenues  
4 received on or after July 1, 2007, ~~but on or before June 30,~~  
5 ~~2013,~~ pursuant to this section as a result of fee increases  
6 pursuant to 2005 Acts, ch. 137, shall be used by the commission  
7 only for the administration and enforcement of programs to  
8 control aquatic invasive species and for the administration and  
9 enforcement of navigation laws and water safety ~~upon the inland~~  
10 ~~waters of this state~~ and shall be used in addition to funds  
11 already being expended by the commission each year for these  
12 purposes. The commission shall not reduce the amount of other  
13 funds being expended on an annual basis for these purposes  
14 as of July 1, 2005, ~~during the period of the appropriation~~  
15 ~~provided for in this subsection.~~

16 3. The commission shall submit a written report to the  
17 general assembly ~~by December 31, 2007, and by December 31 of~~  
18 ~~each year thereafter through December 31, 2013,~~ summarizing the  
19 activities of the department in administering and enforcing  
20 programs to control aquatic invasive species and administering  
21 and enforcing navigation laws and water safety ~~upon the inland~~  
22 ~~waters of the state.~~ The report shall include information  
23 concerning the amount of revenues collected pursuant to this  
24 section as a result of fee increases pursuant to 2005 Acts,  
25 ch. 137, and how the revenues were expended. The report shall  
26 also include information concerning the amount and source of  
27 all other funds expended by the commission during the year for  
28 the purposes of administering and enforcing programs to control  
29 aquatic invasive species and administering and enforcing  
30 navigation laws and water safety ~~upon the inland waters of the~~  
31 ~~state~~ and how the funds were expended.

32 Sec. 2. AQUATIC INVASIVE SPECIES STUDY AND REPORT.

33 1. The natural resource commission shall conduct a study  
34 of the presence of aquatic invasive species in the state's  
35 lakes and rivers including but not limited to zebra mussels,

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1 Eurasian milfoil, and Asian carp with a particular emphasis on  
2 the status of Asian carp populations in the Iowa great lakes  
3 and the Little Sioux river watershed.

4 2. The study shall describe monitoring efforts by the  
5 department of natural resources of all aquatic invasive species  
6 in the state's waters; describe efforts by the department to  
7 manage and prevent the spread of aquatic invasive species in  
8 the state; include information on the life history of Asian  
9 carp and the possible impacts of their presence in the state's  
10 lakes and rivers; and consider strategies to manage and prevent  
11 the spread of Asian carp populations in Iowa, particularly in  
12 the Iowa great lakes, as well as throughout the midwest.

13 3. The commission shall submit its findings in a written  
14 report to the general assembly by December 31, 2012. This  
15 report may be included as part of the written report submitted  
16 to the general assembly by the commission on December 31 each  
17 year pursuant to section 462A.52, subsection 3.

18 EXPLANATION

19 This bill relates to the control of aquatic invasive  
20 species in the waters of this state. The bill strikes a sunset  
21 provision to allow a 2005 increase in boat registration fees  
22 to continue to be used for the administration and enforcement  
23 of programs to control aquatic invasive species and for the  
24 administration and enforcement of navigation laws and water  
25 safety beyond 2013. The bill also provides that the provisions  
26 apply to rivers as well as inland waters of the state.

27 The bill requires the natural resource commission to conduct  
28 a study on the presence of aquatic invasive species in the  
29 state's lakes and rivers including but not limited to zebra  
30 mussels, Eurasian milfoil, and Asian carp with a particular  
31 emphasis on the status of Asian carp populations in the Iowa  
32 great lakes and the Little Sioux river watershed. The study  
33 is to include monitoring, management, and prevention efforts  
34 being undertaken by the department of natural resources with  
35 respect to aquatic invasive species and information about Asian

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1 carp including impacts of their presence in the state's lakes  
2 and rivers as well as strategies to manage and prevent their  
3 spread, particularly in the Iowa great lakes and throughout the  
4 midwest.

5 The commission shall submit its findings in a written report  
6 to the general assembly by December 31, 2012. The report can  
7 be included in the annual report submitted by the commission to  
8 the general assembly each December 31 pursuant to Code section  
9 462A.52(3), which outlines the yearly expenditures of the boat  
10 registration increases enacted in 2005.



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House Resolution 117 - Introduced

HOUSE RESOLUTION NO. 117

BY BAUDLER and HEATON

1 A Resolution supporting trapshooting as a sanctioned  
2 high school sport.

3 WHEREAS, trapshooting is one of the three major  
4 forms of competitive clay pigeon shooting and is  
5 growing in popularity throughout the United States and  
6 Iowa; and

7 WHEREAS, trapshooting games were originally meant  
8 for hunters to develop their hunting skills, but have  
9 obtained international recognition and are encouraged  
10 by sports associations; and

11 WHEREAS, trapshooting is considered to be an  
12 exciting and challenging sport in which many people,  
13 young and old, male and female, of all abilities,  
14 compete in trapshooting events; and

15 WHEREAS, trapshooting has been a sport since at  
16 least 1793, when real birds were used, with clay  
17 targets being introduced in the 1880s; and

18 WHEREAS, Olympic trap is one of the International  
19 Shooting Sport Federation shooting events, introduced  
20 to the Olympic program in 1900, while the current  
21 version of the sport was introduced in 1950; and

22 WHEREAS, the Iowa State Trapshooting Association  
23 annually sponsors a five-day statewide shooting  
24 event; and

25 WHEREAS, trapshooting competitions promote tourism  
26 in Iowa by bringing in participants and their families  
27 from around the country to stay in motels, eat in  
28 restaurants, shop in retail stores, and purchase

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1 products from vendors at events; and

2 WHEREAS, a great deal of coordination and discipline  
3 is needed for trapshooting, trapshooting tests a  
4 player's skills in marksmanship and strategy and  
5 improves the confidence of youth who may not possess  
6 the physical attributes to compete in other competitive  
7 sports offered at their schools; and

8 WHEREAS, the goal of any program of youth  
9 trapshooting should be to provide instruction and  
10 promote gun safety, personal responsibility, and  
11 sportsmanship among primary and secondary students; and

12 WHEREAS, many state organizations award scholarships  
13 to college-bound trapshooters based on citizenship,  
14 scholarship, and need, and many youth trapshooters  
15 are now attending college with the help of those  
16 scholarships; and

17 WHEREAS, our youth should have the opportunity and  
18 be encouraged to participate in trapshooting in the  
19 same manner as other youth extracurricular activities,  
20 including football, baseball, softball, basketball,  
21 track, scouting, and band; NOW THEREFORE,

22 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That  
23 the House of Representatives encourages the school  
24 boards of every school district in the state of Iowa,  
25 in conjunction with public and private groups, to  
26 voluntarily promote and include trapshooting as a high  
27 school sport for the youth of our state; and

28 BE IT FURTHER RESOLVED, That a copy of this  
29 resolution be sent to the Director of the Department of  
30 Education, the Director of the Department of Natural

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H.R. 117

1 Resources, and the Iowa State Trapshooting Association.



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**House Resolution 118 - Introduced**

HOUSE RESOLUTION NO. 118

BY L. MILLER

1 A Resolution recognizing and honoring the work of the  
2 Alzheimer's Association.

3 WHEREAS, Alzheimer's disease, a progressive  
4 neurodegenerative brain disorder, tragically robs  
5 individuals of their memories and leads to progressive  
6 mental and physical impairments; and

7 WHEREAS, an estimated 69,000 Iowans have Alzheimer's  
8 disease, and as many as 4 percent of those are  
9 individuals under age 65 who have younger-onset  
10 Alzheimer's disease; and

11 WHEREAS, Alzheimer's disease is the fifth leading  
12 cause of death in Iowa; and

13 WHEREAS, this eventually fatal disease is a serious  
14 and growing threat to the health of Iowa; and

15 WHEREAS, the human cost of Alzheimer's disease in  
16 Iowa is staggering — more than 131,000 caregivers  
17 provided over 150,000 hours of unpaid care in 2010; and

18 WHEREAS, the annual cost to our country in total  
19 payments for health care, long-term care, and hospice  
20 for people with Alzheimer's disease was \$183 billion in  
21 2010; NOW THEREFORE,

22 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,  
23 That the House of Representatives, in recognition of  
24 the individuals, families, friends, and caregivers  
25 dealing with Alzheimer's disease and the researchers  
26 who are seeking a cause or cure, recognizes and honors  
27 the efforts of the Alzheimer's Association to educate  
28 Iowans, raise funds, and promote awareness to fight

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1 Alzheimer's disease and related disorders, thereby  
2 improving the quality of life for those living with  
3 Alzheimer's disease and their caregivers.



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House Resolution 119 - Introduced

HOUSE RESOLUTION NO. 119

BY KELLEY

1 A Resolution honoring the Iowa Library for the Blind  
2 and Physically Handicapped.

3 WHEREAS, in 1960 the Library of Congress established  
4 the Iowa Library for the Blind, and for over five  
5 decades the Iowa Library for the Blind and Physically  
6 Handicapped has provided books and other materials in  
7 alternative formats to Iowa residents who are unable to  
8 read standard print materials; and

9 WHEREAS, the National Library Service for the Blind  
10 and Physically Handicapped, a division of the Library  
11 of Congress, has honored the Iowa Library for the Blind  
12 and Physically Handicapped with an award to recognize  
13 its 50th anniversary and its success in distributing  
14 the new digital talking book players to its thousands  
15 of patrons across Iowa; and

16 WHEREAS, the Iowa library, a division of the Iowa  
17 Department for the Blind, has been hailed as one of the  
18 best regional National Library Service libraries in the  
19 country and holds the largest collection of Braille  
20 titles in the world; NOW THEREFORE,

21 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,  
22 That the House of Representatives congratulates the  
23 Iowa Department for the Blind, former director Karen  
24 A. Keninger, and Randy Landgrebe, director of the Iowa  
25 Library for the Blind and Physically Handicapped, for  
26 their exemplary service to the people of Iowa.

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House Study Bill 651 - Introduced

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON WAGNER)

A BILL FOR

1 An Act relating to certain records relating to competitive  
2 information of rural water districts, city utilities, and  
3 city enterprises.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5630YC (7) 84  
aw/rj



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H.F. \_\_\_\_\_

1     Section 1. **NEW SECTION. 357A.11A Competitive information.**  
2     1. Notwithstanding section 21.5, subsection 1, the board  
3 of a district by a vote of two-thirds of the members of the  
4 body or all of the members present at the meeting, may hold  
5 a closed session to discuss marketing and pricing strategies  
6 or proprietary information if its competitive position would  
7 be harmed by public disclosure not required of potential or  
8 actual competitors, and if no public purpose would be served by  
9 such disclosure. The minutes and a tape recording of a session  
10 closed under this subsection shall be available for public  
11 examination at that point in time when the public disclosure  
12 would no longer harm the district's competitive position.  
13     2. *a.* Notwithstanding section 22.2, subsection 1, public  
14 records of a district, which shall not be examined or copied as  
15 of right, include proprietary information, records of customer  
16 names and accounts, any portion of a record that contains  
17 private customer information, records associated with marketing  
18 or pricing strategies, preliminary working papers, spreadsheet  
19 scenarios, and cost data, if the competitive position of the  
20 district would be harmed by public disclosure not required of a  
21 potential or actual competitor, and if no public purpose would  
22 be served by such disclosure. A public record not subject to  
23 examination or copying under this subsection shall be available  
24 for public examination and copying at that point in time when  
25 public disclosure would no longer harm the competitive position  
26 of the district.  
27     *b.* For purposes of this subsection, "*proprietary*  
28 *information*" includes customer records that if disclosed would  
29 harm the competitive position of a customer; or information  
30 required by a noncustomer contracting party to be kept  
31 confidential pursuant to a nondisclosure agreement which  
32 relates to electric transmission planning and construction,  
33 critical energy infrastructure, an ownership interest or  
34 acquisition of an ownership interest in an electric generating  
35 facility, or other information made confidential by law or

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1 rule.

2     *c.* For purposes of this subsection, "*private customer*  
3 *information*" means information concerning a specific customer,  
4 a specific customer account, or a specific user of an internet  
5 site if the board of the district adopts a policy defining such  
6 information as private customer information in order to protect  
7 the privacy of customers or internet site user information and  
8 records.

9     Sec. 2. Section 388.9, subsection 2, paragraph a, Code 2011,  
10 is amended to read as follows:

11     *a.* Notwithstanding section 22.2, subsection 1, public  
12 records of a city utility or combined utility system, or a city  
13 enterprise or combined city enterprise as defined in section  
14 384.80, which shall not be examined or copied as of right,  
15 include proprietary information, records of customer names  
16 and accounts, any portion of a record that contains private  
17 customer information, records associated with marketing or  
18 pricing strategies, preliminary working papers, spreadsheet  
19 scenarios, and cost data, if the competitive position of the  
20 city utility, combined utility system, city enterprise, or  
21 combined city enterprise would be harmed by public disclosure  
22 not required of a potential or actual competitor, and if  
23 no public purpose would be served by such disclosure. A  
24 public record not subject to examination or copying under  
25 this subsection shall be available for public examination and  
26 copying at that point in time when public disclosure would  
27 no longer harm the competitive position of the city utility,  
28 combined utility system, city enterprise, or combined city  
29 enterprise.

30     Sec. 3. Section 388.9, subsection 2, Code 2011, is amended  
31 by adding the following new paragraph:

32     NEW PARAGRAPH. *c.* For purposes of this subsection, "*private*  
33 *customer information*" means information concerning a specific  
34 customer, a specific customer account, or a specific user of  
35 an internet site if the governing body of the city utility or

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1 combined utility system, or the city enterprise or combined  
2 city enterprise adopts a policy defining such information as  
3 private customer information in order to protect the privacy of  
4 customers or internet site user information and records.

5 EXPLANATION

6 This bill relates to the customer records of rural water  
7 districts, city utilities, and city enterprises.

8 The bill provides that the boards of rural water districts  
9 may hold closed sessions to discuss certain information,  
10 notwithstanding the requirements of Code section 21.5(1). The  
11 bill requires that the minutes and a tape recording of such  
12 a closed session be available for public examination at the  
13 time that public disclosure would no longer harm a district's  
14 competitive position.

15 The bill provides that public records of such districts  
16 including proprietary information, records of customer names  
17 and accounts, any portion of a record that contains private  
18 customer information, records associated with marketing or  
19 pricing strategies, preliminary working papers, spreadsheet  
20 scenarios, and cost data, of a district shall not be examined  
21 or copied as of right in the event that the competitive  
22 position of the district would be harmed by disclosure and if  
23 no public purpose would be served by such disclosure. The bill  
24 requires that such records be available for public examination  
25 at the time that public disclosure would no longer harm a  
26 district's competitive position.

27 The bill provides that proprietary information of such  
28 districts includes customer records that would harm the  
29 competitive position of a customer, energy-related information  
30 required by a noncustomer contracting party to be kept  
31 confidential, or other information made confidential by law or  
32 rule.

33 The bill defines private customer information as information  
34 concerning a specific customer, a specific customer account,  
35 or a specific user of an internet site if the board of the

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1 district has adopted a privacy policy defining such information  
2 as private customer information.  
3 The bill provides that portions of records of a city utility  
4 or combined utility system, or a city enterprise or combined  
5 city enterprise containing private customer information shall  
6 not be examined or copied as of right pursuant to Code section  
7 22.2(1). The bill defines private customer information  
8 as information concerning a specific customer, a specific  
9 customer account, or a specific user of an internet site if  
10 the governing body of the city utility or city enterprise has  
11 adopted a privacy policy defining such information as private  
12 customer information.



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House Study Bill 652 - Introduced

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
ECONOMIC GROWTH/REBUILD  
IOWA BILL BY CHAIRPERSON  
GRASSLEY)

A BILL FOR

1 An Act relating to the types of containers included under the  
2 beverage container control laws and the reimbursement amount  
3 paid by a distributor for empty beverage containers.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5660YC (5) 84  
tm/rj



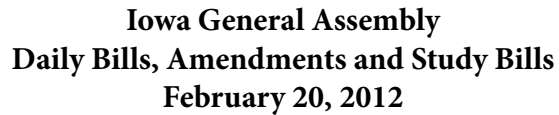
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H.F. \_\_\_\_\_

1 Section 1. Section 455C.1, subsection 1, Code Supplement  
2 2011, is amended to read as follows:  
3 1. "Beverage" means includes but is not limited to wine as  
4 defined in section 123.3, subsection 47, alcoholic liquor as  
5 defined in section 123.3, subsection 5, and beer all as defined  
6 in section 123.3, subsection 7, mineral water, soda water and  
7 similar carbonated soft drinks and any nonalcoholic carbonated  
8 and noncarbonated drinks, in liquid form and intended for human  
9 consumption. "Beverage" does not include any of the following:  
10 a. Fruit and vegetable juice and drink products.  
11 b. Grade 'A' milk and milk products as specified in the  
12 grade 'A' pasteurized milk ordinance, as provided in section  
13 192.102.  
14 c. A liquid that is any of the following:  
15 (1) A syrup.  
16 (2) In a concentrated form.  
17 (3) Typically added as a minor flavoring ingredient in  
18 food or drink, such as extracts, cooking additives, sauces, or  
19 condiments.  
20 d. A liquid that is ingested in very small quantities and  
21 consumed for medicinal purposes only.  
22 e. A liquid that is designed and consumed only as a  
23 nutritional supplement, as defined by the department, and not  
24 as a beverage.  
25 f. Products frozen at the time of sale to the consumer,  
26 or, in the case of institutional users such as hospitals and  
27 nursing homes, at the time of sale to such users.  
28 g. Products designed to be consumed in a frozen state.  
29 h. Instant drink powders.  
30 i. Seafood, meat, or vegetable broths or soups.  
31 j. Farm-produced apple cider that has not been heated,  
32 pasteurized, or otherwise processed.  
33 k. Infant formula.  
34 Sec. 2. Section 455C.2, subsection 2, Code 2011, is amended  
35 to read as follows:

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1        2. In addition to the refund value provided in subsection  
2 ~~1 of this section~~, a dealer, or person operating a redemption  
3 center who redeems empty beverage containers or a dealer  
4 agent shall be reimbursed by the distributor required to  
5 accept the empty beverage containers an amount which is one  
6 cent per container. However, the distributor shall provide  
7 an additional one cent reimbursement for each container made  
8 of plastic. A dealer, dealer agent, or person operating a  
9 redemption center may compact empty metal beverage containers  
10 with the approval of the distributor required to accept the  
11 containers.

13       This bill relates to the types of containers included under  
14 the beverage container control laws and the reimbursement  
15 amount paid by a distributor for empty beverage containers.

24 The reimbursement amount, commonly referred to as a handling  
25 fee, is paid by the distributor who collects the beverage  
26 containers from the dealer or person operating a redemption  
27 center. Currently, the reimbursement amount is 1 cent per  
28 container. The bill requires distributors to pay an additional  
29 1 cent for each collected container that is made of plastic.



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Senate File 2113

S-5017

- 1 Amend Senate File 2113 as follows:  
2 1. Page 1, line 15, after <section.> by inserting  
3 <This section is not applicable to a blind or stand  
4 for hunting deer that is erected or constructed by a  
5 landowner on the landowner's property.>

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BRIAN SCHOENJAHN



Iowa General Assembly  
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Senate File 2071

S-5018

1 Amend the House amendment, S-5015, to Senate File  
2 2071, as passed by the Senate, as follows:  
3 1. Page 1, after line 3 by inserting:  
4 <UTILITY EXPENDITURES — APPROPRIATION REDUCTIONS  
5 Sec. \_\_\_\_\_. STATE AGENCY UTILITY EXPENDITURES.  
6 1. For the purposes of this section, "department"  
7 or "agency" does not include a state department or  
8 agency receiving a supplemental appropriation for  
9 the fiscal year beginning July 1, 2011, pursuant to  
10 an enactment by the Eighty-fourth General Assembly,  
11 2012 session, the state board of regents and the  
12 institutions under the control of the state board, or  
13 the judicial branch.  
14 2. a. For the time period beginning on the  
15 effective date of this section through June 30, 2012,  
16 each state department and agency shall be subject to a  
17 limitation on expenditures for utilities made by the  
18 department or agency on or after the effective date of  
19 this section.  
20 b. The overall dollar amount of the limitation  
21 shall be equal to \$1,000,000 and shall be applied to  
22 the unexpended or unencumbered amount that a department  
23 or agency has budgeted or otherwise designated for  
24 purposes of utilities from the appropriations made to  
25 the department or agency from the general fund of the  
26 state for the fiscal year beginning July 1, 2011, and  
27 ending June 30, 2012, as of the effective date of this  
28 section.  
29 3. The appropriations to which the expenditure  
30 limitation required by this section are attributed  
31 shall be reduced in proportion to which a department or  
32 agency budget for utilities bears to the overall amount  
33 budgeted by the affected departments and agencies for  
34 utilities. Within 30 days of the enactment date of  
35 this section, the department of management shall apply  
36 such appropriation reductions and shall submit a report  
37 to the general assembly and legislative services agency  
38 itemizing the expenditure and appropriation reductions  
39 applied.>  
40 2. Page 1, by striking lines 15 through 33 and  
41 inserting:  
42 <\_\_\_\_\_. Page 2, line 7, by striking <9,490,461> and  
43 inserting <9,403,464>  
44 \_\_\_\_\_. Page 2, line 12, by striking <24,857,130> and  
45 inserting <24,669,743>  
46 \_\_\_\_\_. Page 2, line 22, by striking <16,049,305> and  
47 inserting <15,832,339>  
48 \_\_\_\_\_. Page 2, line 27, by striking <29,456,158> and  
49 inserting <29,259,196>  
50 \_\_\_\_\_. Page 3, line 35, by striking <10,598,654> and

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1 inserting <10,467,801>  
2 \_\_\_\_\_. Page 4, line 8, by striking <5,442,351> and  
3 inserting <5,416,853>  
4 \_\_\_\_\_. Page 4, line 13, by striking <19,052,804> and  
5 inserting <18,897,467>>  
6 3. Page 2, after line 1 by inserting:  
7 <\_\_\_\_. Page 8, after line 3 by inserting:  
8 <DIVISION  
9 MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL  
10 DISABILITIES SERVICES PROPERTY TAX RELIEF AND SERVICE  
11 MANAGEMENT PLANS  
12 Sec. \_\_\_\_\_. PROPERTY TAX RELIEF — FY  
13 2012-2013. There is appropriated from the Iowa  
14 economic emergency fund to the department of human  
15 services for the fiscal year beginning July 1, 2011,  
16 and ending June 30, 2012, notwithstanding section  
17 8.55, subsection 1, the following amount, or so much  
18 thereof as is necessary, to be used for the purposes  
19 designated:  
20 To be credited to the property tax relief fund  
21 to be used to restore the amount of the standing  
22 appropriation made from the general fund of the state  
23 in section 426B.1, subsection 1, for the fiscal year  
24 beginning July 1, 2012, in the amount of the reduction  
25 applied pursuant to 2011 Iowa Acts, chapter 129,  
26 section 154:  
27 ..... \$ 7,200,089  
28 Sec. \_\_\_\_\_. COUNTY MENTAL HEALTH, MENTAL RETARDATION,  
29 AND DEVELOPMENTAL DISABILITIES SERVICES MANAGEMENT PLAN  
30 — STRATEGIC PLAN. Notwithstanding section 331.439,  
31 subsection 1, paragraph "b", subparagraph (3), counties  
32 are not required to submit a three-year strategic plan  
33 by April 1, 2012, to the department of human services.  
34 A county's strategic plan in effect as of the effective  
35 date of this section shall remain in effect, subject  
36 to modification as necessary to conform with statutory  
37 changes affecting the plan.>>  
38 4. By renumbering as necessary.

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ROBERT E. DVORSKY

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Senate File 2172

S-5019

- 1 Amend Senate File 2172 as follows:  
2 1. Page 1, line 10, after <b.> by inserting <(1)>  
3 2. Page 1, by striking line 12 and inserting <five  
4 hundred or more animal units.>  
5 3. Page 1, line 13, by striking <unit> and  
6 inserting:  
7 <(2) In calculating the animal unit>  
8 4. Page 1, lines 13 and 14, by striking <this  
9 paragraph> and inserting <subparagraph (1)>  
10 5. Page 1, line 16, by striking <(1)> and inserting  
11 <(a)>  
12 6. Page 1, line 18, by striking <(2)> and inserting  
13 <(b)>  
14 7. Page 1, after line 19 by inserting:  
15 <(3) The method of calculating animal units under  
16 subparagraph (2) shall only be used for purposes of  
17 determining whether a confinement feeding operation is  
18 a qualified confinement feeding operation subject to  
19 section 459.206.>

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JOHN P. KIBBIE





Iowa General Assembly  
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**Senate File 2223 - Introduced**

SENATE FILE 2223  
BY COMMITTEE ON NATURAL  
RESOURCES AND ENVIRONMENT

(SUCCESSOR TO SSB 3050)

**A BILL FOR**

1 An Act relating to the regulation of snowmobiles, all-terrain  
2 vehicles, and watercraft by the department of natural  
3 resources, establishing fees, and making penalties  
4 applicable.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321G.1, Code 2011, is amended by adding  
2 the following new subsections:

3 NEW SUBSECTION. 5A. "*Designated snowmobile trail*" means  
4 a snowmobile riding trail on any public land, private land,  
5 or public ice that has been designated by the department,  
6 a political subdivision, or a controlling authority for  
7 snowmobile use.

8 NEW SUBSECTION. 5B. "*Direct supervision*" means to provide  
9 supervision of another person while maintaining visual and  
10 verbal contact at all times.

11 NEW SUBSECTION. 11A. "*Nonresident*" means a person who is  
12 not a resident of this state.

13 NEW SUBSECTION. 15A. "*Public ice*" means any frozen,  
14 navigable waters within the territorial limits of this state  
15 and the frozen marginal river areas adjacent to this state,  
16 other than farm ponds, that are under the jurisdiction of the  
17 commission.

18 NEW SUBSECTION. 16A. "*Public water*" means any navigable  
19 waters within the territorial limits of this state and the  
20 marginal river areas adjacent to this state, other than farm  
21 ponds, that are under the jurisdiction of the commission.

22 NEW SUBSECTION. 17A. "*Resident*" means as defined in section  
23 483A.1A.

24 Sec. 2. Section 321G.1, subsections 19 and 21, Code 2011,  
25 are amended to read as follows:

26 19. ~~"Safety~~ "Education certificate" means a snowmobile  
27 ~~safety~~ education certificate, approved by the commission, which  
28 is issued to a qualified applicant who is twelve years of age  
29 or older.

30 21. "*Special event*" means an organized race, exhibition, or  
31 demonstration of limited duration which is conducted on public  
32 land, or public ice, or a designated snowmobile trail under  
33 the jurisdiction of the commission according to a prearranged  
34 schedule and in which general public interest is manifested.

35 Sec. 3. Section 321G.1, Code 2011, is amended by adding the

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1 following new subsection:

2 NEW SUBSECTION. 23. "*Water skipping*" means the operation  
3 of a snowmobile on the surface of water by utilizing the skis,  
4 track, and bottom surface area of the snowmobile for flotation  
5 while the snowmobile is in motion.

6 Sec. 4. Section 321G.2, subsection 1, paragraphs c, e, f,  
7 and h, Code 2011, are amended to read as follows:

8 c. Use of snowmobiles on designated snowmobile trails and  
9 public lands under the jurisdiction of the commission.

10 e. Establishment of a program of grants, subgrants,  
11 and contracts to be administered by the department for the  
12 development, maintenance, signing, and operation of designated  
13 snowmobile trails and the operation of grooming equipment by  
14 political subdivisions and incorporated private organizations.

15 f. Issuance of safety education certificates.

16 h. Issuance of annual user permits ~~for nonresidents~~ and  
17 establishment of administrative fees for issuance of the  
18 permits.

19 Sec. 5. Section 321G.2, subsection 1, Code 2011, is amended  
20 by adding the following new paragraph:

21 NEW PARAGRAPH. 1. Maintenance, signing, and operation of  
22 designated snowmobile trails.

23 Sec. 6. Section 321G.3, Code 2011, is amended to read as  
24 follows:

25 **321G.3 Registration required — penalties.**

26 1. Each snowmobile used on public land ~~or~~, public ice, or a  
27 designated snowmobile trail of this state shall be currently  
28 registered. A person shall not operate, maintain, or give  
29 permission for the operation or maintenance of a snowmobile  
30 on public land ~~or~~, public ice, or a designated snowmobile  
31 trail unless the snowmobile is registered in accordance with  
32 this chapter or applicable federal laws or ~~the snowmobile~~  
33 ~~displays a current annual user permit decal issued for the~~  
34 ~~snowmobile as provided in section 321G.4A~~ in accordance with an  
35 approved numbering system of another state and the evidence of

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1 registration is in full force and effect. A snowmobile must  
2 also be issued a user permit in accordance with this chapter.

3 ~~2. A registration certificate and registration decal shall~~  
4 ~~be assigned, without payment of fee, to snowmobiles owned~~  
5 ~~by the state of Iowa or its political subdivisions. The~~  
6 ~~registration decal shall be displayed on the snowmobile as~~  
7 ~~required under section 321G.5. A registration certificate~~  
8 ~~shall be assigned, without payment of a registration fee, for~~  
9 ~~a snowmobile which is exempt from registration but is being~~  
10 ~~titled, upon payment of a writing fee as provided in section~~  
11 ~~321G.27 and an administrative fee. A registration decal shall~~  
12 ~~not be issued and the registration shall not expire while the~~  
13 ~~snowmobile is exempt. The application for registration and~~  
14 ~~the registration certificate shall indicate the reason for~~  
15 ~~exemption from the registration fee.~~

16 ~~3.~~ 2. A violation of subsection 1 ~~or~~ 2 is punishable as  
17 a scheduled violation under section 805.8B, subsection 2,  
18 paragraph "a". When the scheduled fine is paid, the violator  
19 shall submit proof to the department that a valid registration  
20 ~~or~~ and user permit ~~has~~ have been obtained by providing a copy  
21 of the registration ~~or~~ and user permit to the department within  
22 thirty days of the date the fine is paid. A person who violates  
23 this subsection is guilty of a simple misdemeanor.

24 Sec. 7. Section 321G.4, subsection 2, Code 2011, is amended  
25 to read as follows:

26 2. The owner of the snowmobile shall file an application for  
27 registration with the department through a the county recorder  
28 of the county of residence, or in the case of a nonresident  
29 owner, in the county of primary use, in the manner established  
30 by the commission. The application shall be completed by the  
31 owner and shall be accompanied by a fee of fifteen dollars and  
32 a writing fee as provided in section 321G.27. A snowmobile  
33 shall not be registered by the county recorder until the  
34 county recorder is presented with receipts, bills of sale,  
35 or other satisfactory evidence that the sales or use tax has

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1 been paid for the purchase of the snowmobile or that the  
2 owner is exempt from paying the tax. A snowmobile that has  
3 an expired registration certificate from another state may be  
4 registered in this state upon proper application, payment of  
5 all applicable registration and writing fees, and payment of a  
6 penalty of five dollars.

7 Sec. 8. Section 321G.4A, subsection 1, Code 2011, is amended  
8 to read as follows:

9 1. A ~~nonresident~~ person wishing to operate a snowmobile,  
10 ~~other than a snowmobile registered pursuant to this chapter,~~  
11 snowmobile on public land, or public ice, or a designated  
12 snowmobile trail of this state shall ~~first~~ obtain a user permit  
13 from the department. A user permit shall be issued for the use  
14 on only one snowmobile ~~specified at the time of application~~  
15 and is not transferable. A user permit shall be valid for the  
16 calendar year or time period specified in the permit.

17 Sec. 9. Section 321G.5, Code 2011, is amended to read as  
18 follows:

19 **321G.5 Display of registration and user permit decals.**

20 The owner of a snowmobile shall display the registration  
21 decal ~~or nonresident~~ and user permit decal on a the snowmobile  
22 in the manner prescribed by the rules of the commission.

23 Sec. 10. Section 321G.6, subsection 3, Code 2011, is amended  
24 to read as follows:

25 3. Duplicate registrations may be issued ~~upon application~~  
26 ~~to the~~ by a county recorder ~~and or a license agent upon the~~  
27 payment of a five dollar fee plus a writing fee as provided in  
28 section 321G.27.

29 Sec. 11. Section 321G.7, subsection 1, Code 2011, is amended  
30 to read as follows:

31 1. A county recorder or license agent shall remit to the  
32 commission the snowmobile fees collected by the recorder  
33 or license agent in the manner and time prescribed by the  
34 department.

35 Sec. 12. Section 321G.8, unnumbered paragraph 1, Code 2011,

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1 is amended to read as follows:

2     Registration and user permits shall not be required for the  
3 following described snowmobiles:

4     Sec. 13. Section 321G.8, subsection 1, Code 2011, is amended  
5 to read as follows:

6     1. Snowmobiles owned ~~and used~~ by the United States, this  
7 state, or another state, or by a political governmental  
8 subdivision of another state thereof, and used for enforcement,  
9 search and rescue, or official research and studies, but not  
10 for recreational or commercial purposes.

11     Sec. 14. Section 321G.9, subsection 6, Code 2011, is amended  
12 by striking the subsection.

13     Sec. 15. Section 321G.10, Code Supplement 2011, is amended  
14 to read as follows:

15     **321G.10 Accident reports.**

16     If a snowmobile is involved in an accident resulting in  
17 injury or death to anyone or property damage amounting to one  
18 thousand five hundred dollars or more, either the operator  
19 or someone acting for the operator shall immediately notify  
20 the county sheriff or another law enforcement agency in the  
21 state. If the accident occurred on public land, ~~or public~~  
22 ice, or a designated snowmobile trail under the jurisdiction  
23 of the commission, the operator shall file with the commission  
24 a report of the accident, within seventy-two hours, containing  
25 information as the commission may require. All other accidents  
26 shall be reported as required under section 321.266.

27     Sec. 16. Section 321G.12, Code 2011, is amended to read as  
28 follows:

29     **321G.12 ~~Headlamp — tail lamp~~ Headlight — taillight —**  
30 **brakes.**

31     Every snowmobile shall be equipped with at least one  
32 ~~headlamp~~ headlight and one ~~tail lamp~~ taillight. Every  
33 snowmobile shall be equipped with brakes.

34     Sec. 17. Section 321G.13, subsection 1, paragraph f, Code  
35 2011, is amended to read as follows:

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1 *f.* On any public land, public ice, or ~~snow~~ designated  
2 snowmobile trail, in violation of official signs of the  
3 commission prohibiting such operation in the interest of  
4 safety for persons, property, or the environment. Any officer  
5 appointed by the commission may post an official sign in an  
6 emergency for the protection of persons, property, or the  
7 environment.

8 Sec. 18. Section 321G.13, subsection 1, Code 2011, is  
9 amended by adding the following new paragraph:

10 NEW PARAGRAPH. *i.* Upon the surface of any public water in a  
11 maneuver known as water skipping. This paragraph "*i*" does not  
12 apply to operation on rivers or streams between November 1 and  
13 April 1.

14 Sec. 19. Section 321G.13, subsection 3, Code 2011, is  
15 amended to read as follows:

16 3. A person shall not drive or operate a snowmobile  
17 on public land or a designated snowmobile trail without a  
18 measurable snow cover.

19 Sec. 20. Section 321G.17, Code 2011, is amended to read as  
20 follows:

21 **321G.17 Violation of stop signal.**

22 A person, ~~after having who has~~ received a visual or audible  
23 signal from a peace officer to come to a stop, shall not  
24 operate a snowmobile in willful or wanton disregard of the  
25 signal, ~~or~~ interfere with or endanger the officer or any other  
26 person or vehicle, ~~or~~ increase speed, or attempt to flee or  
27 elude the officer.

28 Sec. 21. Section 321G.20, Code 2011, is amended to read as  
29 follows:

30 **321G.20 ~~Minors under twelve~~ Operation by minors.**

31 1. An owner or operator of a snowmobile shall not permit  
32 a person under twelve years of age to operate and a person  
33 less than twelve years of age shall not operate, a snowmobile  
34 on a designated snowmobile trail, public land, or public ice  
35 except when accompanied on the same snowmobile by a responsible



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1 person of at least eighteen years of age who is experienced  
2 in snowmobile operation and who possesses a valid driver's  
3 license, as defined in section 321.1, or ~~a safety~~ an education  
4 certificate issued under this chapter.

5 2. While operating a snowmobile on a designated snowmobile  
6 trail, public land, or public ice, a person twelve through  
7 fifteen years of age and possessing a valid education  
8 certificate must be under the direct supervision of a parent,  
9 guardian, or another adult authorized by the parent or  
10 guardian, who is experienced in snowmobile operation and  
11 possesses a valid driver's license, as defined in section  
12 321.1, or an education certificate issued under this chapter.

13 3. A person under eighteen years of age but over the age of  
14 fifteen shall not operate a snowmobile on or across a public  
15 highway unless the person has in the person's possession an  
16 education certificate issued to the person pursuant to this  
17 chapter.

18 Sec. 22. Section 321G.21, subsections 1 through 5, Code  
19 2011, are amended to read as follows:

20 1. A manufacturer, distributor, or dealer owning a  
21 snowmobile required to be registered under this chapter  
22 may operate the snowmobile for purposes of transporting,  
23 testing, demonstrating, or selling it without the snowmobile  
24 being registered, except that a ~~special identification~~  
25 ~~number~~ registration decal issued to the owner as provided  
26 in this chapter shall be displayed on the snowmobile in the  
27 manner prescribed by rules of the commission. The special  
28 ~~identification number~~ registration decal shall not be used  
29 on a snowmobile offered for hire or for any work or service  
30 performed by a manufacturer, distributor, or dealer.

31 2. Every manufacturer, distributor, or dealer shall  
32 register with the department by making application to the  
33 commission, upon forms prescribed by the commission, for  
34 a special registration certificate ~~containing a general~~  
35 ~~identification number and for one or more duplicate special~~

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1 ~~registration certificates and decal.~~ The applicant shall pay  
2 a registration fee of ~~fifteen~~ forty-five dollars and submit  
3 reasonable proof of the applicant's status as a bona fide  
4 manufacturer, distributor, or dealer as may be required by the  
5 commission.

6 3. The commission, upon granting an application, shall  
7 issue to the applicant a special registration certificate  
8 ~~containing and decal.~~ The special registration certificate  
9 shall contain the applicant's name, and address, the and  
10 general identification number; assigned to the applicant, the  
11 word "manufacturer", "dealer", or "distributor"; and other  
12 information the commission prescribes. The manufacturer,  
13 distributor, or dealer shall have the assigned number printed  
14 upon or attached to a removable sign or signs which may be  
15 temporarily but firmly mounted or attached to the snowmobile  
16 being used. The display shall meet the requirements of this  
17 chapter and the rules of the commission.

18 4. The commission shall also issue duplicate special  
19 registration certificates and decals which shall have displayed  
20 thereon the general identification number assigned to the  
21 applicant. ~~Each duplicate registration certificate so issued~~  
22 ~~shall contain a number or symbol identifying it from every~~  
23 ~~other duplicate special registration certificate bearing the~~  
24 ~~same general identification number. A county recorder may~~  
25 issue duplicate special registration certificates and decals  
26 electronically pursuant to rules adopted by the commission.  
27 The fee for each additional duplicate special registration  
28 certificate and decal shall be ~~two~~ five dollars, plus a writing  
29 fee.

30 5. Each special registration certificate issued hereunder  
31 under this section shall be for a period of three years and  
32 shall expire on December 31 of each the renewal year, and  
33 a. A new special registration certificate for the ensuing  
34 twelve months three-year renewal period may be obtained upon  
35 application to the commission and payment of the fee provided



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1 by law. A county recorder may issue special registration  
2 certificate renewals electronically pursuant to rules adopted  
3 by the commission.

4 Sec. 23. Section 321G.23, Code 2011, is amended to read as  
5 follows:

6 **321G.23 Course of instruction.**

7 1. The commission shall provide, by rules adopted pursuant  
8 to section 321G.2, for the establishment of certified courses  
9 of instruction to be conducted throughout the state for the  
10 safe use and operation of snowmobiles. The curriculum shall  
11 include instruction in the lawful and safe use, operation, and  
12 equipping of snowmobiles consistent with this chapter and rules  
13 adopted by the commission and the director of transportation  
14 and other matters the commission deems pertinent for a  
15 qualified snowmobile operator. The commission may establish  
16 a fee for the course which shall not exceed the actual cost of  
17 instruction minus moneys received by the department from ~~safety~~  
18 education certificate fees under section 321G.24.

19 2. The commission may certify any experienced, qualified  
20 operator to be an instructor of a class established under  
21 subsection 1. Each instructor shall be at least eighteen years  
22 of age.

23 3. Upon completion of the course of instruction, the  
24 commission shall provide for the administration of a written  
25 test to any student who wishes to qualify for ~~a safety~~ an  
26 education certificate.

27 4. The commission shall provide ~~safety~~ education material  
28 relating to the operation of snowmobiles for the use of  
29 nonpublic or public elementary and secondary schools in this  
30 state.

31 5. The department may develop requirements and standards  
32 for online education offerings. Only vendors who have entered  
33 into a memorandum of understanding with the department  
34 shall be permitted to offer an online course that results  
35 in the issuance of an education certificate approved by the



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1 commission. Vendors may charge for their courses and collect  
2 the education certificate fee required under section 321G.24,  
3 subsection 2, on behalf of the department as agreed to in the  
4 memorandum of understanding.

5 Sec. 24. Section 321G.24, Code 2011, is amended to read as  
6 follows:

7 **321G.24 Safety Education certificate — fee.**

8 1. A person under eighteen years of age shall not  
9 operate a snowmobile on public land, or public ice, a  
10 designated snowmobile trail, or land purchased with snowmobile  
11 registration funds in this state without obtaining a valid  
12 safety education certificate ~~issued~~ approved by the department  
13 and having the certificate in the person's possession,  
14 unless the person is accompanied on the same snowmobile by  
15 a responsible person of at least eighteen years of age who  
16 is experienced in snowmobile operation and possesses a valid  
17 driver's license, as defined in section 321.1, or ~~a safety an~~  
18 education certificate issued under this chapter.

19 2. Upon ~~application~~ successful completion of the course  
20 and payment of a fee of five dollars, a qualified applicant  
21 shall be issued ~~a safety an~~ an education certificate which is  
22 valid until the certificate is suspended or revoked by the  
23 director for a violation of a provision of this chapter or a  
24 rule adopted pursuant to this chapter. ~~The application shall~~  
25 ~~be made on forms issued by the commission and shall contain~~  
26 ~~information as the commission may reasonably require.~~

27 3. Any person who is required to have ~~a safety an~~ an education  
28 certificate under this chapter and who has completed a course  
29 of instruction established under section 321G.2, subsection  
30 1, paragraph "j", including the successful passage of an  
31 examination which includes a written test relating to such  
32 course of instruction, shall be considered qualified to receive  
33 ~~a safety an~~ an education certificate.

34 4. The ~~permit~~ certificate fees collected under this section  
35 shall be credited to the special snowmobile fund created under

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1 section 321G.7 and shall be used for safety and educational  
2 programs.

3 5. A valid snowmobile safety or education certificate or  
4 license issued ~~to a nonresident~~ by a governmental authority  
5 of another state shall be considered a valid certificate or  
6 license in this state if the permit certification or license  
7 licensing requirements of the governmental authority, ~~excluding~~  
8 ~~fees~~, are substantially the same as the requirements of this  
9 chapter as determined by the commission.

10 Sec. 25. Section 321G.25, Code 2011, is amended to read as  
11 follows:

12 **321G.25 Stopping and inspecting — warnings.**

13 A peace officer may stop and inspect a snowmobile operated,  
14 parked, or stored on public streets, highways, public lands,  
15 ~~or frozen waters~~ public ice, or designated snowmobile trails  
16 of the state to determine if the snowmobile is registered,  
17 numbered, or equipped as required by this chapter and  
18 commission rules. The officer shall not inspect an area that  
19 is not essential to determine compliance with the requirements.  
20 If the officer determines that the snowmobile is not in  
21 compliance, the officer may issue a warning memorandum to the  
22 operator and forward a copy to the commission. The warning  
23 memorandum shall indicate the items found not in compliance and  
24 shall direct the owner or operator of the snowmobile to have  
25 the snowmobile in compliance and return a copy of the warning  
26 memorandum with the proof of compliance to the commission  
27 within fourteen days. If the proof of compliance is not  
28 provided within fourteen days, the owner or operator is in  
29 violation of this chapter.

30 Sec. 26. Section 321G.26, Code 2011, is amended to read as  
31 follows:

32 **321G.26 Termination of use.**

33 A person who receives a warning memorandum for a snowmobile  
34 shall stop using the snowmobile as soon as possible and shall  
35 not operate it on public streets, highways, public lands, ~~or~~

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1 ~~frozen waters~~ public ice, or designated snowmobile trails of  
2 the state until the snowmobile is in compliance.

3 Sec. 27. Section 321G.27, subsection 1, Code 2011, is  
4 amended by adding the following new paragraph:

5 NEW PARAGRAPH. *0c.* The county recorder shall collect  
6 a writing fee of one dollar and twenty-five cents for each  
7 duplicate special registration certificate issued by the county  
8 recorder's office.

9 Sec. 28. Section 321G.29, subsection 8, Code Supplement  
10 2011, is amended to read as follows:

11 8. Once titled, a person shall not sell or transfer  
12 ownership of a snowmobile without delivering to the purchaser  
13 or transferee a certificate of title with an assignment on it  
14 showing title in the ~~purchaser or transferee~~ purchaser's or  
15 transferee's name. A person shall not purchase or otherwise  
16 acquire a snowmobile without obtaining a certificate of title  
17 for it in that person's name.

18 Sec. 29. Section 321G.31, subsection 1, Code 2011, is  
19 amended to read as follows:

20 1. If ownership of a snowmobile is transferred by  
21 operation of law, such as by inheritance, order in bankruptcy,  
22 insolvency, replevin, or execution sale, the transferee, within  
23 thirty days after acquiring the right to possession of the  
24 snowmobile, shall mail or deliver to the county recorder of  
25 the transferee's county of residence satisfactory proof of  
26 ownership as the county recorder requires, together with an  
27 application for a new certificate of title, and the required  
28 fee.

29 Sec. 30. Section 321G.33, subsections 1 and 3, Code 2011,  
30 are amended to read as follows:

31 1. The department may assign a distinguishing number to  
32 a snowmobile when the serial number on the snowmobile is  
33 destroyed or obliterated and issue to the owner a special  
34 plate decal bearing the distinguishing number which shall be  
35 affixed to the snowmobile in a position to be determined by

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1 the department. The snowmobile shall be registered and titled  
2 under the distinguishing number in lieu of the former serial  
3 number. Every snowmobile shall have a vehicle identification  
4 number assigned and affixed as required by the department.

5 3. A person shall not destroy, remove, alter, cover, or  
6 deface the manufacturer's vehicle identification number, the  
7 plate or decal bearing it, or any vehicle identification number  
8 the department assigns to a snowmobile without the department's  
9 permission.

10 Sec. 31. Section 321I.1, subsection 1, paragraph b, Code  
11 2011, is amended to read as follows:

12 b. Off-road motorcycles shall be considered all-terrain  
13 vehicles for the purpose of registration. Off-road motorcycles  
14 shall also be considered all-terrain vehicles for the purpose  
15 of titling if a title has not previously been issued pursuant  
16 to chapter 321. An operator of an off-road motorcycle is  
17 subject to provisions governing the operation of all-terrain  
18 vehicles in this chapter, but is exempt from the ~~safety~~  
19 education instruction and certification program requirements of  
20 sections 321I.25 and 321I.26.

21 Sec. 32. Section 321I.1, subsections 6, 7, and 16, Code  
22 2011, are amended to read as follows:

23 6. "*Designated riding area*" means an all-terrain vehicle  
24 riding area on any public land or public ice under the  
25 jurisdiction of the department that has been designated by the  
26 department for all-terrain vehicle use.

27 7. "*Designated riding trail*" means an all-terrain vehicle  
28 riding trail on any public land, private land, or public  
29 ~~ice under the jurisdiction of the department~~ that has been  
30 designated by the department, a political subdivision, or a  
31 controlling authority for all-terrain vehicle use.

32 16. a. "*Off-road utility vehicle*" means a motorized  
33 flotation-tire or rubber-tracked vehicle with not less than  
34 four and not more than eight low-pressure tires or rubberized  
35 tracks that is limited in engine displacement to less than one

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1 thousand five hundred cubic centimeters and in total dry weight  
2 to not more than one thousand eight hundred pounds and that  
3 has a seat that is of bucket or bench design, not intended to  
4 be straddled by the operator, and a steering wheel or control  
5 levers for control.

6 ~~b. An owner of an off-road utility vehicle may register~~  
7 ~~or title an off-road utility vehicle in order to legally~~  
8 ~~operate the off-road vehicle on public ice, a designated~~  
9 ~~riding area, or a designated riding trail.~~ The operator of an  
10 off-road utility vehicle is subject to provisions governing  
11 the operation of all-terrain vehicles in section 321.234A, and  
12 this chapter, and administrative rules, but is exempt from  
13 the safety education instruction and certification program  
14 requirements of sections 321I.25 and 321I.26. An operator of  
15 an off-road utility vehicle shall not operate the vehicle on a  
16 designated riding area or designated riding trail unless the  
17 department has posted signage indicating the riding area or  
18 trail is open to the operation of off-road utility vehicles.  
19 Off-road utility vehicles are ~~exempt from~~ subject to the dealer  
20 registration and titling requirements of this chapter. A  
21 motorized vehicle that was previously titled or is currently  
22 titled under chapter 321 shall not be registered or operated  
23 as an off-road utility vehicle.

24 Sec. 33. Section 321I.1, Code 2011, is amended by adding the  
25 following new subsection:

26 NEW SUBSECTION. 20A. "*Public ice*" means any frozen,  
27 navigable waters within the territorial limits of this state  
28 and the frozen marginal river areas adjacent to this state,  
29 other than farm ponds, that are under the jurisdiction of the  
30 commission.

31 Sec. 34. Section 321I.1, subsections 23, 25, and 27, Code  
32 2011, are amended to read as follows:

33 23. "*Resident*" means ~~a person who meets the requirements~~  
34 ~~for residency described in section 321.1A~~ as defined in section  
35 483A.1A.



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1     25. ~~"Safety Education certificate"~~ means an all-terrain  
2 vehicle ~~safety education~~ certificate, approved by the  
3 commission, which is issued to a qualified applicant who is  
4 twelve years of age or older.

5     27. ~~"Special event"~~ means an organized race, exhibition,  
6 or demonstration of limited duration which is conducted on  
7 public land, ~~or public ice, or a designated riding trail~~ under  
8 the jurisdiction of the commission according to a prearranged  
9 schedule and in which general public interest is manifested.

10    Sec. 35. Section 321I.2, subsection 1, paragraph f, Code  
11 2011, is amended to read as follows:

12    ~~f.~~ Issuance of ~~safety education~~ certificates.

13    Sec. 36. Section 321I.3, Code 2011, is amended to read as  
14 follows:

15    **321I.3 Registration required — penalties.**

16    1. Each all-terrain vehicle used on public land, ~~or public~~  
17 ~~ice, or a designated riding trail~~ of this state shall be  
18 currently registered. A person shall not operate, maintain,  
19 or give permission for the operation or maintenance of an  
20 all-terrain vehicle on public land, ~~or public ice, or a~~  
21 ~~designated riding trail~~ unless the all-terrain vehicle is  
22 registered in accordance with this chapter or applicable  
23 federal laws or ~~the all-terrain vehicle displays a current~~  
24 ~~annual user permit decal issued for the all-terrain vehicle~~  
25 ~~as provided in section 321I.5~~ in accordance with an approved  
26 numbering system of another state and the evidence of  
27 registration is in full force and effect. An all-terrain  
28 vehicle registered in another state must also be issued a user  
29 permit in this state in accordance with this chapter.

30    ~~2. A registration certificate and registration decal~~  
31 ~~shall be assigned, without payment of fee, to all-terrain~~  
32 ~~vehicles owned by the state of Iowa or its political~~  
33 ~~subdivisions. The registration decal shall be displayed on~~  
34 ~~the all-terrain vehicle as required under section 321I.6. A~~  
35 ~~registration certificate shall be assigned, without payment~~

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~~1 of a registration fee, for an all-terrain vehicle which is  
2 exempt from registration but is being titled, upon payment  
3 of a writing fee as provided in section 321I.29 and an  
4 administrative fee. A registration decal shall not be issued  
5 and the registration shall not expire while the all-terrain  
6 vehicle is exempt. The application for registration and  
7 the registration certificate shall indicate the reason for  
8 exemption from the registration fee.~~

9     3. 2. A violation of subsection 1 ~~or 2~~ is punishable as  
10 a scheduled violation under section 805.8B, subsection 2A,  
11 paragraph "a". When the scheduled fine is paid, the violator  
12 shall submit proof to the department that a valid registration  
13 or user permit has been obtained by providing a copy of the  
14 registration or user permit to the department within thirty  
15 days of the date the fine is paid. A person who violates this  
16 subsection is guilty of a simple misdemeanor.

17     Sec. 37. Section 321I.4, subsection 2, Code 2011, is amended  
18 to read as follows:

19     2. The owner of the all-terrain vehicle shall file an  
20 application for registration with the department through a the  
21 county recorder of the county of residence, or in the case  
22 of a nonresident owner, in the county of primary use, in the  
23 manner established by the commission. The application shall  
24 be completed by the owner and shall be accompanied by a fee  
25 of fifteen dollars and a writing fee as provided in section  
26 321I.29. An all-terrain vehicle shall not be registered by the  
27 county recorder until the county recorder is presented with  
28 receipts, bills of sale, or other satisfactory evidence that  
29 the sales or use tax has been paid for the purchase of the  
30 all-terrain vehicle or that the owner is exempt from paying the  
31 tax. An all-terrain vehicle that has an expired registration  
32 certificate from another state may be registered in this state  
33 upon proper application, payment of all applicable registration  
34 and writing fees, and payment of a penalty of five dollars.

35     Sec. 38. Section 321I.5, subsection 1, Code 2011, is amended

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1 to read as follows:

2 1. A nonresident wishing to operate an all-terrain vehicle,  
3 other than an all-terrain vehicle ~~owned by a resident and~~  
4 registered pursuant to this chapter, on public land, or public  
5 ice, or a designated riding trail of this state shall ~~first~~  
6 obtain a user permit from the department. A user permit shall  
7 be issued for the use on only one all-terrain vehicle ~~specified~~  
8 ~~at the time of application~~ and is not transferable. A user  
9 permit shall be valid for the calendar year or time period  
10 specified in the permit.

11 Sec. 39. Section 321I.7, subsections 3 and 4, Code 2011, are  
12 amended to read as follows:

13 3. Duplicate registrations may be issued ~~upon application~~  
14 ~~to the~~ by a county recorder or a license agent and the payment  
15 of a five dollar fee plus a writing fee as provided in section  
16 321I.29.

17 4. A motorcycle, as defined in section 321.1, subsection  
18 40, paragraph "a", may be registered as an all-terrain vehicle  
19 as provided in this section. A motorcycle registered as an  
20 all-terrain vehicle may participate in all programs established  
21 for all-terrain vehicles under this chapter except for the  
22 safety education instruction and certification program.

23 Sec. 40. Section 321I.8, Code 2011, is amended to read as  
24 follows:

25 **321I.8 Fees remitted to commission — appropriation.**

26 1. A county recorder or license agent shall remit to the  
27 commission the all-terrain vehicle fees collected by the  
28 recorder or license agent in the manner and time prescribed by  
29 the department.

30 2. The department shall remit the fees, including user  
31 fees collected pursuant to section 321I.5, to the treasurer  
32 of state, who shall place the money in a special all-terrain  
33 vehicle fund. The money is appropriated to the department for  
34 the all-terrain vehicle programs of the state. The programs  
35 shall include grants, subgrants, contracts, or cost-sharing

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1 of all-terrain vehicle programs with political subdivisions  
2 or incorporated private organizations or both in accordance  
3 with rules adopted by the commission. All-terrain vehicle fees  
4 may be used for the establishment, maintenance, and operation  
5 of all-terrain vehicle recreational riding areas through the  
6 awarding of grants administered by the department. All-terrain  
7 vehicle recreational riding areas established, maintained, or  
8 operated by the use of such grants shall not be operated for  
9 profit. All programs using cost-sharing, grants, subgrants, or  
10 contracts shall establish and implement a safety an education  
11 instruction program either singly or in cooperation with other  
12 all-terrain vehicle programs. All-terrain vehicle fees may  
13 be used to support all-terrain vehicle programs on a usage  
14 basis. At least fifty percent of the special fund shall be  
15 available for political subdivisions or incorporated private  
16 organizations or both. Moneys from the special fund not  
17 used by the political subdivisions or incorporated private  
18 organizations or both shall remain in the fund and may be used  
19 by the department for the administration of the all-terrain  
20 vehicle programs. Notwithstanding section 8.33, moneys in the  
21 special fund shall not revert to the general fund of the state  
22 at the end of a fiscal year. Notwithstanding section 12C.7,  
23 subsection 2, interest or earnings on moneys in the special  
24 fund shall remain in the fund.

25 Sec. 41. Section 321I.9, subsection 1, Code 2011, is amended  
26 to read as follows:

27 1. All-terrain vehicles owned ~~and used~~ by the United States,  
28 this state, or another state, or by a political governmental  
29 subdivision of another state thereof, and used for enforcement,  
30 search and rescue, or official research and studies, but not  
31 for recreational or commercial purposes.

32 Sec. 42. Section 321I.11, Code Supplement 2011, is amended  
33 to read as follows:

34 **321I.11 Accident reports.**

35 If an all-terrain vehicle is involved in an accident

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1 resulting in injury or death to anyone or property damage  
2 amounting to one thousand five hundred dollars or more,  
3 either the operator or someone acting for the operator  
4 shall immediately notify the county sheriff or another law  
5 enforcement agency in the state. If the accident occurred  
6 on public land, ~~or public ice, or a designated riding trail~~  
7 under the jurisdiction of the commission, the operator shall  
8 file with the commission a report of the accident, within  
9 seventy-two hours, containing information as the commission may  
10 require. All other accidents shall be reported as required  
11 under section 321.266.

12 Sec. 43. Section 321I.13, Code 2011, is amended to read as  
13 follows:

14 **321I.13 ~~Headlamp — tail lamp~~ Headlight — taillight —**  
15 **brakes.**

16 Every all-terrain vehicle operated during the hours of  
17 darkness shall display a lighted ~~headlamp~~ headlight and ~~tail~~  
18 ~~lamp~~ taillight. Every all-terrain vehicle shall be equipped  
19 with brakes.

20 Sec. 44. Section 321I.14, subsection 1, paragraph f, Code  
21 2011, is amended to read as follows:

22 *f.* On any public land, public ice, or snow designated  
23 riding trail, in violation of official signs of the commission  
24 prohibiting such operation in the interest of safety for  
25 persons, property, or the environment. Any officer appointed  
26 by the commission may post an official sign in an emergency for  
27 the protection of persons, property, or the environment.

28 Sec. 45. Section 321I.17, Code 2011, is amended to read as  
29 follows:

30 **321I.17 Special events.**

31 The department may authorize the holding of organized  
32 special events as defined in this chapter within this state.  
33 The department shall adopt rules relating to the conduct of  
34 special events held under department permits and designating  
35 the equipment and facilities necessary for the safe operation



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1 of all-terrain vehicles ~~or~~, off-road motorcycles, and off-road  
2 utility vehicles and for the safety of operators, participants,  
3 and observers in the special events. A special event ~~for~~  
4 ~~all-terrain vehicles~~ may ~~include motorcycles upon payment~~  
5 ~~of~~ require an entrance fee set by the organizer of the  
6 special event. The department may require that part of the  
7 ~~motorcycle~~ entrance fee be credited to pay costs of all-terrain  
8 vehicle programs authorized pursuant to section 321I.8. At  
9 least thirty days before the scheduled date of a special  
10 event in this state, an application shall be filed with the  
11 department for authorization to conduct the special event. The  
12 application shall set forth the date, time, and location of the  
13 proposed special event and any other information the department  
14 requires. The special event shall not be conducted without  
15 written authorization of the department. ~~Copies of the rules~~  
16 ~~shall be furnished by the department to any person making an~~  
17 ~~application.~~

18 Sec. 46. Section 321I.18, Code 2011, is amended to read as  
19 follows:

20 **321I.18 Violation of stop signal.**

21 A person, ~~after having~~ who has received a visual or audible  
22 signal from a peace officer to come to a stop, shall not  
23 operate an all-terrain vehicle in willful or wanton disregard  
24 of the signal, ~~or~~ interfere with or endanger the officer or any  
25 other person or vehicle, ~~or~~ increase speed, or attempt to flee  
26 or elude the officer.

27 Sec. 47. Section 321I.21, unnumbered paragraph 1, Code  
28 2011, is amended to read as follows:

29 A person under twelve years of age shall not operate an  
30 all-terrain vehicle, including an off-road motorcycle, on a  
31 designated riding area or designated riding trail or on public  
32 land or public ice unless one of the following applies:

33 Sec. 48. Section 321I.21, subsection 1, Code 2011, is  
34 amended to read as follows:

35 1. The person is taking a prescribed ~~safety~~ education

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1 training course and the operation is under the direct  
2 supervision of a certified all-terrain vehicle ~~safety~~ education  
3 instructor.

4 Sec. 49. Section 321I.22, subsections 1 through 5, Code  
5 2011, are amended to read as follows:

6 1. A manufacturer, distributor, or dealer owning an  
7 all-terrain vehicle required to be registered under this  
8 chapter may operate the all-terrain vehicle for purposes of  
9 transporting, testing, demonstrating, or selling it without the  
10 all-terrain vehicle being registered, except that a special  
11 ~~identification number~~ registration decal issued to the owner as  
12 provided in this chapter shall be displayed on the all-terrain  
13 vehicle in the manner prescribed by rules of the commission.  
14 The special ~~identification number~~ registration decal shall not  
15 be used on an all-terrain vehicle offered for hire or for any  
16 work or service performed by a manufacturer, distributor, or  
17 dealer.

18 2. Every manufacturer, distributor, or dealer shall  
19 register with the department by making application to the  
20 commission, upon forms prescribed by the commission, for  
21 a special registration certificate ~~containing a general~~  
22 ~~identification number and for one or more duplicate special~~  
23 ~~registration certificates and decal~~. The applicant shall pay  
24 a registration fee of ~~fifteen~~ forty-five dollars and submit  
25 reasonable proof of the applicant's status as a bona fide  
26 manufacturer, distributor, or dealer as may be required by the  
27 commission.

28 3. The commission, upon granting an application, shall  
29 issue to the applicant a special registration certificate  
30 ~~containing and decal~~. The special registration certificate  
31 shall contain the applicant's name, and address, the and  
32 general identification number; assigned to the applicant, the  
33 word "manufacturer", "dealer", or "distributor"; and other  
34 information the commission prescribes. The manufacturer,  
35 distributor, or dealer shall have the assigned number printed

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~~1 upon or attached to a removable sign or signs which may be  
2 temporarily but firmly mounted or attached to the all-terrain  
3 vehicle being used. The display shall meet the requirements of  
4 this chapter and the rules of the commission.~~

5 4. The commission shall also issue duplicate special  
6 registration certificates and decals which shall have displayed  
7 thereon the general identification number assigned to the  
8 applicant. ~~Each duplicate registration certificate so issued  
9 shall contain a number or symbol identifying it from every  
10 other duplicate special registration certificate bearing the  
11 same general identification number.~~ A county recorder may  
12 issue duplicate special registration certificates and decals  
13 electronically pursuant to rules adopted by the commission.  
14 The fee for each additional duplicate special registration  
15 certificate and decal shall be ~~two~~ five dollars plus a writing  
16 fee.

17 5. Each special registration certificate issued ~~hereunder~~  
18 under this section shall be for a period of three years and  
19 shall expire on December 31 of each the renewal year, and  
20 a. A new special registration certificate for the ensuing  
21 ~~twelve months~~ three-year renewal period may be obtained upon  
22 application to the commission and payment of the fee provided  
23 by law. A county recorder may issue special registration  
24 certificate renewals electronically pursuant to rules adopted  
25 by the commission.

26 Sec. 50. Section 321I.25, Code 2011, is amended to read as  
27 follows:

28 **321I.25 Course of instruction.**

29 1. The commission shall provide, by rules adopted pursuant  
30 to section 321I.2, for the establishment of certified courses  
31 of instruction to be conducted throughout the state for the  
32 safe use and operation of all-terrain vehicles. The curriculum  
33 shall include instruction in the lawful and safe use,  
34 operation, and equipping of all-terrain vehicles consistent  
35 with this chapter and rules adopted by the commission ~~and the~~

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1 ~~director of transportation and other matters the commission~~  
2 ~~deems pertinent for a qualified all-terrain vehicle operator.~~  
3 The commission may establish a fee for the course which shall  
4 not exceed the actual cost of instruction minus moneys received  
5 by the department from safety education certificate fees under  
6 section 321I.26.

7 2. The commission may certify any experienced, qualified  
8 operator to be an instructor of a class established under  
9 subsection 1. Each instructor shall be at least eighteen years  
10 of age.

11 3. Upon completion of the course of instruction, the  
12 commission shall provide for the administration of either a  
13 written test or the demonstration of adequate riding skills to  
14 any student who wishes to qualify for a safety an education  
15 certificate.

16 4. The commission shall provide safety education material  
17 relating to the operation of all-terrain vehicles for the use  
18 of nonpublic or public elementary and secondary schools in this  
19 state.

20 5. The department may develop requirements and standards  
21 for online education offerings. Only vendors who have entered  
22 into a memorandum of understanding with the department  
23 shall be permitted to offer an online course that results  
24 in the issuance of an education certificate approved by the  
25 commission. Vendors may charge for their courses and collect  
26 the education certificate fee required under section 321I.26,  
27 subsection 2, on behalf of the department as agreed to in the  
28 memorandum of understanding.

29 Sec. 51. Section 321I.26, Code 2011, is amended to read as  
30 follows:

31 **321I.26 Safety Education certificate — fee.**

32 1. A person twelve years of age or older but less than  
33 eighteen years of age shall not operate an all-terrain vehicle  
34 on public land, or public ice, a designated riding trail, or  
35 land purchased with all-terrain vehicle registration funds

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1 in this state without obtaining a valid safety education  
2 certificate ~~issued~~ approved by the department and having the  
3 certificate in the person's possession.

4 2. Upon ~~application~~ successful completion of the course  
5 and payment of a fee of five dollars, a qualified applicant  
6 shall be issued ~~a safety~~ an education certificate which is  
7 valid until the certificate is suspended or revoked by the  
8 director for a violation of a provision of this chapter or a  
9 rule adopted pursuant to this chapter. ~~The application shall~~  
10 ~~be made on forms issued by the commission and shall contain~~  
11 ~~information as the commission may reasonably require.~~

12 3. Any person who is required to have ~~a safety~~ an education  
13 certificate under this chapter and who has completed a course  
14 of instruction established under section 321I.2, subsection  
15 1, paragraph "i", including the successful passage of an  
16 examination which includes either a written test relating to  
17 such course of instruction or the demonstration of adequate  
18 riding skills, shall be considered qualified to receive a  
19 safety an education certificate.

20 4. The ~~permit~~ certificate fees collected under this section  
21 shall be credited to the special all-terrain vehicle fund and  
22 shall be used for ~~safety and~~ educational programs.

23 5. A valid all-terrain vehicle safety or education  
24 certificate or license issued ~~to a nonresident~~ by a  
25 governmental authority of another state shall be considered  
26 a valid certificate or license in this state if the ~~permit~~  
27 certification or license licensing requirements of the  
28 governmental authority, ~~excluding fees~~, are substantially the  
29 same as the requirements of this chapter as determined by the  
30 commission.

31 Sec. 52. Section 321I.27, Code 2011, is amended to read as  
32 follows:

33 **321I.27 Stopping and inspecting — warnings.**

34 A peace officer may stop and inspect an all-terrain vehicle  
35 operated, parked, or stored on public streets, highways,



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1 public lands, ~~or frozen waters~~ public ice, or designated  
2 riding trails of the state to determine if the all-terrain  
3 vehicle is registered, numbered, or equipped as required by  
4 this chapter and commission rules. The officer shall not  
5 inspect an area that is not essential to determine compliance  
6 with the requirements. If the officer determines that the  
7 all-terrain vehicle is not in compliance, the officer may issue  
8 a warning memorandum to the operator and forward a copy to the  
9 commission. The warning memorandum shall indicate the items  
10 found not in compliance and shall direct the owner or operator  
11 of the all-terrain vehicle to have the all-terrain vehicle in  
12 compliance and return a copy of the warning memorandum with the  
13 proof of compliance to the commission within fourteen days. If  
14 the proof of compliance is not provided within fourteen days,  
15 the owner or operator is in violation of this chapter.

16 Sec. 53. Section 321I.28, Code 2011, is amended to read as  
17 follows:

18 **321I.28 Termination of use.**

19 A person who receives a warning memorandum for an  
20 all-terrain vehicle shall stop using the all-terrain vehicle as  
21 soon as possible and shall not operate it on public streets,  
22 highways, public lands, ~~or frozen waters~~ public ice, or  
23 designated riding trails of the state until the all-terrain  
24 vehicle is in compliance.

25 Sec. 54. Section 321I.29, subsection 1, Code 2011, is  
26 amended by adding the following new paragraph:

27 NEW PARAGRAPH. *0c.* The county recorder shall collect  
28 a writing fee of one dollar and twenty-five cents for each  
29 duplicate special registration certificate issued by the county  
30 recorder's office.

31 Sec. 55. Section 321I.31, subsection 8, Code 2011, is  
32 amended to read as follows:

33 8. Once titled, a person shall not sell or transfer  
34 ownership of an all-terrain vehicle without delivering to  
35 the purchaser or transferee a certificate of title with an

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1 assignment on it showing title in the ~~purchaser or transferee~~  
2 purchaser's or transferee's name. A person shall not purchase  
3 or otherwise acquire an all-terrain vehicle without obtaining a  
4 certificate of title for it in that person's name.

5 Sec. 56. Section 321I.33, subsection 1, Code 2011, is  
6 amended to read as follows:

7 1. If ownership of an all-terrain vehicle is transferred by  
8 operation of law, such as by inheritance, order in bankruptcy,  
9 insolvency, replevin, or execution sale, the transferee,  
10 within thirty days after acquiring the right to possession of  
11 the all-terrain vehicle, shall mail or deliver to the county  
12 recorder of the transferee's county of residence satisfactory  
13 proof of ownership as the county recorder requires, together  
14 with an application for a new certificate of title, and the  
15 required fee.

16 Sec. 57. Section 321I.35, subsections 1 and 3, Code 2011,  
17 are amended to read as follows:

18 1. The department may assign a distinguishing number to an  
19 all-terrain vehicle when the serial number on the all-terrain  
20 vehicle is destroyed or obliterated and issue to the owner a  
21 special ~~plate~~ decal bearing the distinguishing number which  
22 shall be affixed to the all-terrain vehicle in a position to be  
23 determined by the department. The all-terrain vehicle shall be  
24 registered and titled under the distinguishing number in lieu  
25 of the former serial number. Every all-terrain vehicle shall  
26 have a vehicle identification number assigned and affixed as  
27 required by the department.

28 3. A person shall not destroy, remove, alter, cover, or  
29 deface the manufacturer's vehicle identification number, the  
30 plate or decal bearing it, or any vehicle identification number  
31 the department assigns to an all-terrain vehicle without the  
32 department's permission.

33 Sec. 58. Section 461C.2, subsection 5, Code 2011, is amended  
34 to read as follows:

35 5. "*Recreational purpose*" means the following or any

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1 combination thereof: Hunting, trapping, horseback riding,  
2 fishing, swimming, boating, camping, picnicking, hiking,  
3 pleasure driving, motorcycling, all-terrain vehicle riding,  
4 nature study, water skiing, snowmobiling, other summer  
5 and winter sports, and viewing or enjoying historical,  
6 archaeological, scenic, or scientific sites while going to and  
7 from or actually engaged therein.

8 Sec. 59. Section 462A.2, Code Supplement 2011, is amended by  
9 adding the following new subsection:

10 NEW SUBSECTION. 43A. "*Watercraft education certificate*"  
11 means a certificate, approved by the commission, which is  
12 issued to a qualified applicant who is twelve years of age or  
13 older who has successfully completed a watercraft education  
14 course approved by the department.

15 Sec. 60. Section 462A.12, subsection 6, Code 2011, is  
16 amended to read as follows:

17 6. An owner or operator of a vessel propelled by a motor  
18 of more than ten horsepower shall not permit any person under  
19 twelve years of age to operate the vessel unless accompanied  
20 in or on the same vessel by a responsible person of at  
21 least eighteen years of age who is experienced in motorboat  
22 operation. A person who is twelve years of age or older  
23 but less than eighteen years of age shall not operate any  
24 vessel propelled by a motor of more than ten horsepower unless  
25 the person has successfully completed a department-approved  
26 watercraft safety education course and obtained a watercraft  
27 safety education certificate or is accompanied in or on the  
28 same vessel by a responsible person of at least eighteen years  
29 of age who is experienced in motorboat operation. A person  
30 required to have a watercraft safety education certificate  
31 shall carry and shall exhibit or make available the certificate  
32 upon request of an officer of the department. A violation  
33 of this subsection is a simple misdemeanor as provided in  
34 section 462A.13. However, a person charged with violating  
35 this subsection shall not be convicted if the person produces

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1 in court, within a reasonable time, a ~~department-approved~~  
2 watercraft education certificate. The cost of a ~~department~~  
3 watercraft education certificate, or any duplicate, shall not  
4 exceed five dollars.

5 Sec. 61. NEW SECTION. **462A.12A Online watercraft education**  
6 **courses.**

7 1. The department shall develop requirements and standards  
8 for online watercraft education courses. Only vendors who have  
9 entered into a memorandum of understanding with the department  
10 shall be approved by the department to offer an online  
11 watercraft education course that upon successful completion is  
12 sufficient to result in the issuance of a watercraft education  
13 certificate to the person who completes the course.

14 2. A vendor approved to offer an online watercraft education  
15 course as provided in subsection 1 may charge a fee for the  
16 course as agreed to in the memorandum of understanding with  
17 the department and may also collect the watercraft education  
18 certificate fee on behalf of the department as agreed to in the  
19 memorandum of understanding.

20 Sec. 62. Section 462A.36, Code 2011, is amended to read as  
21 follows:

22 **462A.36 Fee for special certificate — minimum requirements**  
23 **for issuance.**

24 1. Any manufacturer or dealer may, upon payment of a fee of  
25 fifteen dollars, make application to the commission, upon such  
26 forms as the commission prescribes, for a special certificate  
27 containing a general distinguishing number and for one or more  
28 duplicate special certificates. The applicant shall submit  
29 such reasonable proof of the applicant's status as a bona fide  
30 manufacturer or dealer as the commission may require.

31 2. The commission may adopt rules consistent with this  
32 chapter establishing minimum requirements for a dealer or  
33 manufacturer to be issued a special certificate. In adopting  
34 such rules the department shall consider the need to protect  
35 persons, property, and the environment, and to promote uniform

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1 practices relating to the sale and use of vessels. The  
2 commission may also adopt rules providing for the suspension or  
3 revocation of a dealer's or manufacturer's special certificate  
4 issued pursuant to this section.

5 Sec. 63. Section 462A.46, Code 2011, is amended to read as  
6 follows:

7 **462A.46 Purchase of registered vessel by dealer.**

8 Whenever a dealer purchases or otherwise acquires a  
9 vessel registered in this state, the dealer shall issue a  
10 signed receipt to the previous owner, indicating the date of  
11 purchase or acquisition, the name and address of such previous  
12 owner, and the registration number of the vessel purchased  
13 or acquired. ~~The original receipt shall be delivered to the~~  
14 ~~previous owner and one copy shall be mailed or delivered by~~  
15 ~~the dealer to the county recorder of the county in which the~~  
16 ~~vessel is registered, and one copy shall be delivered to the~~  
17 ~~commission within forty-eight hours.~~

18 Sec. 64. Section 462A.53, Code 2011, is amended to read as  
19 follows:

20 **462A.53 Amount of writing fees.**

21 A writing fee of one dollar and twenty-five cents for  
22 each transaction privilege shall be collected by the county  
23 recorder. ~~If two or more functions are transacted for the same~~  
24 ~~vessel at one time, the writing fee is limited to one dollar~~  
25 ~~and twenty-five cents.~~

26 Sec. 65. Section 805.8B, subsection 2, paragraph a, Code  
27 2011, is amended to read as follows:

28 a. For registration or user permit violations under section  
29 321G.3, ~~subsections~~ subsection 1 and ~~2~~, the scheduled fine is  
30 fifty dollars.

31 Sec. 66. Section 805.8B, subsection 2, paragraph b,  
32 subparagraph (3), Code 2011, is amended to read as follows:

33 (3) For operating violations under section 321G.13,  
34 subsection 1, paragraphs "a", "b", "e", "f", "g", and "h", and  
35 "i", and subsections 2 and 3, the scheduled fine is one hundred

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1 dollars.

2 Sec. 67. Section 805.8B, subsection 2, paragraph g, Code  
3 2011, is amended to read as follows:

4 g. For violations of section 321G.20 and for ~~safety~~  
5 education certificate violations under section 321G.24,  
6 subsection 1, the scheduled fine is fifty dollars.

7 Sec. 68. Section 805.8B, subsection 2A, paragraphs a and g,  
8 Code 2011, are amended to read as follows:

9 a. For registration or user permit violations under section  
10 321I.3, ~~subsections~~ subsection 1 and ~~2~~, the scheduled fine is  
11 fifty dollars.

12 g. For violations of section 321I.21 and for ~~safety~~  
13 education certificate violations under section 321I.26,  
14 subsection 1, the scheduled fine is fifty dollars.

15 Sec. 69. REPEAL. Sections 462A.40 and 462A.42, Code 2011,  
16 are repealed.

17 EXPLANATION

18 This bill relates to matters concerning the regulation  
19 of snowmobiles, all-terrain vehicles, and watercraft by  
20 the department of natural resources, and makes penalties  
21 applicable.

22 SNOWMOBILE REGULATION. The bill makes numerous revisions  
23 to Code chapter 321G, which provides for the regulation of  
24 snowmobiles by the department.

25 The bill defines "resident" and "nonresident", for purposes  
26 of snowmobile regulation, to mean the same as defined for  
27 purposes of hunting and fishing licenses.

28 The bill defines "public water" as any navigable waters  
29 within the state and the marginal river areas adjacent to the  
30 state, other than farm ponds, under the jurisdiction of the  
31 natural resource commission. A similar definition is provided  
32 for "public ice", and various sections of Code chapter 321G are  
33 amended to specify the defined term.

34 The bill specifies that the natural resource commission may  
35 adopt rules for the use of snowmobiles on designated snowmobile

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1 trails and for maintenance, signing, and operation of the  
2 trails, and existing provisions are amended to indicate that  
3 operation on designated trails is subject to regulation by  
4 the department. The scope of grant programs and contracts  
5 administered by the department is expanded to include  
6 the signage of designated snowmobile trails. "Designated  
7 snowmobile trail" is defined to mean a snowmobile riding  
8 trail on any public land, private land, or public ice that is  
9 designated by the department, a political subdivision, or a  
10 controlling authority for snowmobile use.

11 Currently, all snowmobiles used on public land or ice in  
12 this state must be registered, except for certain snowmobiles  
13 owned and used by a governmental entity or snowmobiles used  
14 in farming. A nonresident must obtain an annual user permit  
15 to operate a snowmobile that is not registered in this state.  
16 The bill extends the user permit requirement to apply to  
17 residents as well as nonresidents. Under the bill, a resident  
18 of this state must obtain a user permit to operate a registered  
19 snowmobile on public land, public ice, or designated snowmobile  
20 trails. A nonresident's snowmobile must be registered in  
21 accordance with the requirements of another state and the  
22 operator must obtain a user permit for operation on public  
23 land, public ice, or designated snowmobile trails in Iowa.  
24 The registration decal of this state or another state and the  
25 user permit decal issued by this state must be displayed on a  
26 snowmobile operated on public land, public ice, or designated  
27 snowmobile trails in Iowa. Pursuant to current law, the fee  
28 for a user permit is \$15 plus an administrative fee of \$1.50  
29 and a writing fee of \$1 if the permit is issued by a license  
30 agent or \$1.25 if the permit is issued by a county treasurer.

31 The bill specifies that the original application for  
32 registration of a snowmobile must be filed with the county  
33 recorder of the owner's county of residence or if the owner is  
34 a nonresident, in the county of primary use. If a transfer  
35 of ownership occurs by operation of law, the application must

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1 be filed in the transferee's county of residence. Duplicate  
2 registrations and registration renewals may be accomplished  
3 through a county recorder or a license agent.

4 The bill provides that a snowmobile owned by the United  
5 States, this state, or another state, or by a governmental  
6 subdivision, is exempt from registration and user permit  
7 requirements in this state if the snowmobile is used for  
8 enforcement, search and rescue, or official research and  
9 studies, but not for recreational or commercial purposes.  
10 Current provisions for the issuance of registration  
11 certificates and registration decals for snowmobiles owned by  
12 the state of Iowa or its political subdivisions are stricken.

13 The bill makes a technical change requiring that every  
14 snowmobile be equipped with a headlight and a taillight, rather  
15 than a headlamp and a tail lamp.

16 The bill prohibits a person from water skipping a snowmobile  
17 on public water, except on rivers and streams during the period  
18 between November 1 and April 1. A violation is a simple  
19 misdemeanor punishable by a scheduled fine of \$100. "Water  
20 skipping" is defined as the operation of a snowmobile on the  
21 surface of water using the skis, track, and bottom surface of  
22 the snowmobile for flotation while the snowmobile is in motion.

23 The bill makes technical changes to clarify language  
24 relating to stop signal violations.

25 The bill increases the fee for a special registration  
26 certificate from \$15 to \$45 for snowmobile manufacturers,  
27 distributors, and dealers and extends the registration period  
28 from one year to three years. Special registration certificate  
29 renewals may be issued electronically. The bill provides  
30 for the issuance of a special registration decal along with  
31 the special registration certificate. The decal is to be  
32 displayed on a snowmobile when it is being operated for  
33 purposes of transporting, testing, demonstrating, or selling  
34 the snowmobile. Duplicate special registration certificates  
35 and decals may be issued electronically by a county recorder

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1 and are subject to a fee of \$5 plus a writing fee of \$1.25.  
2 Pursuant to current law, a safety certificate is required  
3 for operation of a snowmobile on regulated land or ice by a  
4 person under 18 years of age, and in addition, a person 12  
5 to 15 years of age must be under the direct supervision of a  
6 parent, guardian, or another adult authorized by the parent or  
7 guardian. The bill makes a terminology change by replacing the  
8 existing "safety certificate" with an "education certificate"  
9 throughout Code chapter 321G. In addition, the bill defines  
10 "direct supervision" to mean providing supervision of another  
11 person while maintaining visual and verbal contact at all  
12 times. Currently, a person under 16 years of age must have  
13 a safety certificate to operate a snowmobile on or across a  
14 public highway. The bill extends the requirement to persons  
15 under 18 years of age.  
16 The bill authorizes the department to develop requirements  
17 and standards for the provision of online education resulting  
18 in the issuance of education certificates. A vendor must  
19 enter into a memorandum of understanding with the department  
20 to conduct such a course. Pursuant to the memorandum of  
21 understanding, a vendor may charge a fee for the online course  
22 and collect the education certificate fee on behalf of the  
23 department.  
24 The bill provides that when a serial number on a snowmobile  
25 is destroyed or obliterated and the department assigns a  
26 distinguishing number to the snowmobile, the department may  
27 issue a special decal, rather than a plate, to be affixed to  
28 the snowmobile and bearing the distinguishing number.  
29 ALL-TERRAIN VEHICLE REGULATION. The bill makes numerous  
30 revisions to Code chapter 321I, which provides for the  
31 regulation of all-terrain vehicles by the department.  
32 The bill amends the definition of "off-road utility vehicle"  
33 to include rubber-tracked vehicles. In addition, the bill  
34 provides that off-road utility vehicles are subject to dealer  
35 registration and titling requirements applicable to other



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1 all-terrain vehicles. Currently, registration and titling by  
2 dealers is not required. The bill specifies that the operation  
3 of off-road utility vehicles is subject to provisions governing  
4 the operation of all-terrain vehicles both in statute and in  
5 administrative rules.

6 The bill revises the definition of "designated riding trail"  
7 to include any public land, private land, or public ice that  
8 has been designated by the department, a political subdivision,  
9 or a controlling entity for all-terrain vehicle use. Various  
10 Code sections are amended to include designated riding trails  
11 within the scope of department regulations.

12 The bill defines "public ice" as any frozen, navigable  
13 waters within the state and the marginal river areas adjacent  
14 to the state, other than farm ponds, under the jurisdiction  
15 of the natural resource commission. Various sections of Code  
16 chapter 321I are amended to specify the defined term.

17 The bill defines "resident", for purposes of all-terrain  
18 vehicle regulation, to mean the same as defined for purposes of  
19 hunting and fishing licenses.

20 The bill specifies that the original application for  
21 registration of an all-terrain vehicle must be filed with the  
22 county recorder of the county of residence or if the owner is  
23 a nonresident, in the county of primary use. If a transfer  
24 of ownership occurs by operation of law, the application must  
25 be filed in the transferee's county of residence. Duplicate  
26 registrations and registration renewals may be accomplished  
27 through a county recorder or a license agent. An all-terrain  
28 vehicle owned by a nonresident and registered in another state  
29 must be issued a user permit in this state, which is valid for  
30 use on only one all-terrain vehicle.

31 The bill provides that an all-terrain vehicle owned  
32 by the United States, this state, or another state, or by  
33 a governmental subdivision, is exempt from registration  
34 requirements in this state if the all-terrain vehicle  
35 is used for enforcement, search and rescue, or official

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1 research and studies, but not for recreational or commercial  
2 purposes. Current provisions for the issuance of registration  
3 certificates and registration decals for all-terrain vehicles  
4 owned by the state of Iowa or its political subdivisions are  
5 stricken.

6 The bill makes a technical change requiring that every  
7 all-terrain vehicle be equipped with a headlight and a  
8 taillight, rather than a headlamp and a tail lamp.

9 The bill provides for the inclusion of motorcycles and  
10 off-road utility vehicles in special events. Also, the  
11 requirement that the department furnish a copy of the rules for  
12 a special event to an applicant for the event is stricken.

13 The bill makes technical changes to clarify language  
14 relating to a person who violates a stop signal from a peace  
15 officer.

16 The bill increases the fee for a special registration  
17 certificate from \$15 to \$45 for all-terrain vehicle  
18 manufacturers, distributors, and dealers and extends the  
19 registration period from one year to three years. Special  
20 registration certificate renewals may be issued electronically.  
21 The bill provides for the issuance of a special registration  
22 decal along with the special registration certificate.  
23 The decal is to be displayed on an all-terrain vehicle  
24 when it is being operated for purposes of transporting,  
25 testing, demonstrating, or selling the vehicle. Duplicate  
26 special registration certificates and decals may be issued  
27 electronically by a county recorder and are subject to a fee of  
28 \$5 plus a writing fee of \$1.25.

29 Pursuant to current law, a safety certificate is required  
30 for operation of an all-terrain vehicle on public land or ice  
31 by a person between 12 and 18 years of age. The bill replaces  
32 the "safety certificate" with an "education certificate"  
33 throughout Code chapter 321I. The bill authorizes the  
34 department to develop requirements and standards for the  
35 provision of online education resulting in the issuance of

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1 education certificates. A vendor must enter into a memorandum  
2 of understanding with the department to conduct such a course.  
3 Pursuant to the memorandum of understanding, a vendor may  
4 charge a fee for the online course and collect the education  
5 certificate fee on behalf of the department.

6 The bill provides that when a serial number on an all-terrain  
7 vehicle is destroyed or obliterated and the department assigns  
8 a distinguishing number to the all-terrain vehicle, the  
9 department may issue a special decal, rather than a plate,  
10 to be affixed to the all-terrain vehicle and bearing the  
11 distinguishing number.

12 Code section 461C.2(5) is amended to include all-terrain  
13 vehicle riding among the public recreational purposes to be  
14 encouraged on private land in the state.

15 WATERCRAFT EDUCATION COURSES AND CERTIFICATES. Code section  
16 462A.2 is amended to include a definition of "watercraft  
17 education certificate" that is issued to a qualified applicant  
18 12 years of age or older. Code section 462A.12(6) is amended  
19 to change the nomenclature for the requirements that must be  
20 met by a person between 12 and 18 years of age to operate  
21 certain watercraft without an adult in the watercraft. Such a  
22 person is required to complete a department-approved watercraft  
23 education, instead of safety, course and obtain a watercraft  
24 education, instead of safety, certificate.

25 New Code section 462A.12A requires the department to  
26 develop requirements and standards for vendors to offer online  
27 watercraft education courses. Approved vendors may charge  
28 a fee for the course and may also collect the watercraft  
29 education certificate fee on behalf of the department as  
30 provided in a memorandum of understanding with the department.

31 SPECIAL CERTIFICATES FOR WATERCRAFT DEALERS AND  
32 MANUFACTURERS. Code section 462A.36 is amended to allow the  
33 natural resource commission to adopt rules establishing minimum  
34 requirements for special certificates to be issued, suspended,  
35 or revoked for vessel dealers or manufacturers. In adopting

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1 the rules, the commission shall consider the need to protect  
2 persons, property, and the environment, and promote uniform  
3 practices relating to the sale and use of vessels.

4 Code section 462A.40, requiring manufacturers or dealers  
5 to keep written records of the vessels upon which special  
6 certificates are used, and Code section 462A.42, requiring  
7 dealers to furnish a list to the commission each year of all  
8 used vessels held by them and for which registration has not  
9 been paid, are repealed.

10 Code section 462A.46 is amended to delete a requirement that  
11 when a dealer purchases or acquires a registered vessel, the  
12 dealer must mail or deliver a copy of the original receipt  
13 issued to the county recorder of the county where the vessel  
14 is registered and to the natural resource commission within 48  
15 hours.

16 Code section 462A.53 is amended to delete a limitation on  
17 the writing fee collected by a county treasurer for two or more  
18 functions transacted for the same vessel at one time. The bill  
19 provides that the county treasurer shall collect a writing fee  
20 of \$1.25 for each privilege relating to watercraft.



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**Senate File 2224 - Introduced**

SENATE FILE 2224  
BY COMMITTEE ON TRANSPORTATION  
  
(SUCCESSOR TO SSB 3141)

**A BILL FOR**

1 An Act relating to funding for Iowa roads, including by  
2 increasing the excise tax on motor fuel and special fuel  
3 used in motor vehicles, providing for the use of certain  
4 revenues, providing for related studies, evaluations, and  
5 reports, and including effective date provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

MOTOR FUEL TAX

Section 1. Section 312.2, Code 2011, is amended by adding the following new subsection:

NEW SUBSECTION. 21. a. The treasurer of state, before making the allotments provided for in this section, shall credit monthly from the road use tax fund to the TIME-21 fund created in section 312A.2 the revenue accruing to the road use tax fund from the excise tax on motor fuel and special fuel for motor vehicles in the amount equal to the revenues collected as follows:

(1) For the period beginning January 1, 2013, and ending December 31, 2013, the following amounts:

(a) The amount of excise tax collected under section 452A.3, subsection 1, paragraph "c", from five cents per gallon.

(b) The amount of excise tax on special fuel for diesel engines of motor vehicles, other than biodiesel blended fuel classified as B-10 or higher, collected under section 452A.3, subsection 3, paragraph "a", subparagraph (2), from five cents per gallon.

(2) Beginning January 1, 2014, the following amounts:

(a) The amount of excise tax collected under section 452A.3, subsection 1, paragraph "d", or section 452A.3, subsection 1A, from ten cents per gallon.

(b) The amount of excise tax on special fuel for diesel engines of motor vehicles, other than biodiesel blended fuel classified as B-10 or higher, collected under section 452A.3, subsection 3, paragraph "a", subparagraph (3), from ten cents per gallon.

b. This subsection is repealed June 30, 2028.

Sec. 2. Section 452A.3, subsection 1, paragraph b, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The Prior to January 1, 2013, the rate for the excise tax shall be as follows:

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1     Sec. 3. Section 452A.3, subsection 1, Code 2011, is amended  
2 by adding the following new paragraphs:

3     NEW PARAGRAPH. c. For the period beginning January 1, 2013,  
4 and ending December 31, 2013, the rate for the excise tax shall  
5 be as follows:

6     (1) If the distribution percentage is not greater than  
7 fifty percent, the rate shall be twenty-four cents for ethanol  
8 blended gasoline and twenty-five cents for motor fuel other  
9 than ethanol blended gasoline.

10    (2) If the distribution percentage is greater than fifty  
11 percent but not greater than fifty-five percent, the rate  
12 shall be twenty-four cents for ethanol blended gasoline and  
13 twenty-five and one-tenth cents for motor fuel other than  
14 ethanol blended gasoline.

15    (3) If the distribution percentage is greater than  
16 fifty-five percent but not greater than sixty percent, the rate  
17 shall be twenty-four cents for ethanol blended gasoline and  
18 twenty-five and three-tenths cents for motor fuel other than  
19 ethanol blended gasoline.

20    (4) If the distribution percentage is greater than sixty  
21 percent but not greater than sixty-five percent, the rate  
22 shall be twenty-four cents for ethanol blended gasoline and  
23 twenty-five and five-tenths cents for motor fuel other than  
24 ethanol blended gasoline.

25    (5) If the distribution percentage is greater than  
26 sixty-five percent but not greater than seventy percent, the  
27 rate shall be twenty-four cents for ethanol blended gasoline  
28 and twenty-five and seven-tenths cents for motor fuel other  
29 than ethanol blended gasoline.

30    (6) If the distribution percentage is greater than seventy  
31 percent but not greater than seventy-five percent, the rate  
32 shall be twenty-four cents for ethanol blended gasoline and  
33 twenty-six cents for motor fuel other than ethanol blended  
34 gasoline.

35    (7) If the distribution percentage is greater than

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1 seventy-five percent but not greater than eighty percent, the  
2 rate shall be twenty-four and three-tenths cents for ethanol  
3 blended gasoline and twenty-five and eight-tenths cents for  
4 motor fuel other than ethanol blended gasoline.

5 (8) If the distribution percentage is greater than eighty  
6 percent but not greater than eighty-five percent, the rate  
7 shall be twenty-four and five-tenths cents for ethanol blended  
8 gasoline and twenty-five and seven-tenths cents for motor fuel  
9 other than ethanol blended gasoline.

10 (9) If the distribution percentage is greater than  
11 eighty-five percent but not greater than ninety percent, the  
12 rate shall be twenty-four and seven-tenths cents for ethanol  
13 blended gasoline and twenty-five and four-tenths cents for  
14 motor fuel other than ethanol blended gasoline.

15 (10) If the distribution percentage is greater than ninety  
16 percent but not greater than ninety-five percent, the rate  
17 shall be twenty-four and nine-tenths cents for ethanol blended  
18 gasoline and twenty-five and one-tenth cents for motor fuel  
19 other than ethanol blended gasoline.

20 (11) If the distribution percentage is greater than  
21 ninety-five percent, the rate shall be twenty-five cents for  
22 ethanol blended gasoline and twenty-five cents for motor fuel  
23 other than ethanol blended gasoline.

24 NEW PARAGRAPH. d. For the period beginning January 1, 2014,  
25 and ending June 30, 2022, the rate for the excise tax shall be  
26 as follows:

27 (1) If the distribution percentage is not greater than  
28 fifty percent, the rate shall be twenty-nine cents for ethanol  
29 blended gasoline and thirty cents for motor fuel other than  
30 ethanol blended gasoline.

31 (2) If the distribution percentage is greater than fifty  
32 percent but not greater than fifty-five percent, the rate shall  
33 be twenty-nine cents for ethanol blended gasoline and thirty  
34 and one-tenth cents for motor fuel other than ethanol blended  
35 gasoline.



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1 (3) If the distribution percentage is greater than  
2 fifty-five percent but not greater than sixty percent, the rate  
3 shall be twenty-nine cents for ethanol blended gasoline and  
4 thirty and three-tenths cents for motor fuel other than ethanol  
5 blended gasoline.

6 (4) If the distribution percentage is greater than sixty  
7 percent but not greater than sixty-five percent, the rate shall  
8 be twenty-nine cents for ethanol blended gasoline and thirty  
9 and five-tenths cents for motor fuel other than ethanol blended  
10 gasoline.

11 (5) If the distribution percentage is greater than  
12 sixty-five percent but not greater than seventy percent, the  
13 rate shall be twenty-nine cents for ethanol blended gasoline  
14 and thirty and seven-tenths cents for motor fuel other than  
15 ethanol blended gasoline.

16 (6) If the distribution percentage is greater than seventy  
17 percent but not greater than seventy-five percent, the rate  
18 shall be twenty-nine cents for ethanol blended gasoline and  
19 thirty-one cents for motor fuel other than ethanol blended  
20 gasoline.

21 (7) If the distribution percentage is greater than  
22 seventy-five percent but not greater than eighty percent, the  
23 rate shall be twenty-nine and three-tenths cents for ethanol  
24 blended gasoline and thirty and eight-tenths cents for motor  
25 fuel other than ethanol blended gasoline.

26 (8) If the distribution percentage is greater than eighty  
27 percent but not greater than eighty-five percent, the rate  
28 shall be twenty-nine and five-tenths cents for ethanol blended  
29 gasoline and thirty and seven-tenths cents for motor fuel other  
30 than ethanol blended gasoline.

31 (9) If the distribution percentage is greater than  
32 eighty-five percent but not greater than ninety percent, the  
33 rate shall be twenty-nine and seven-tenths cents for ethanol  
34 blended gasoline and thirty and four-tenths cents for motor  
35 fuel other than ethanol blended gasoline.

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1 (10) If the distribution percentage is greater than ninety  
2 percent but not greater than ninety-five percent, the rate  
3 shall be twenty-nine and nine-tenths cents for ethanol blended  
4 gasoline and thirty and one-tenth cents for motor fuel other  
5 than ethanol blended gasoline.

6 (11) If the distribution percentage is greater than  
7 ninety-five percent, the rate shall be thirty cents for ethanol  
8 blended gasoline and thirty cents for motor fuel other than  
9 ethanol blended gasoline.

10 Sec. 4. Section 452A.3, subsection 1A, Code 2011, is amended  
11 to read as follows:

12 1A. Except as otherwise provided in this section and in this  
13 division, after June 30, ~~2012~~ 2022, an excise tax of ~~twenty~~  
14 thirty cents is imposed on each gallon of motor fuel used for  
15 any purpose for the privilege of operating motor vehicles in  
16 this state.

17 Sec. 5. Section 452A.3, subsection 3, Code 2011, is amended  
18 to read as follows:

19 3. a. For the privilege of operating motor vehicles or  
20 aircraft in this state, there is imposed an excise tax on the  
21 use of special fuel in a motor vehicle or aircraft. ~~The~~

22 (1) Prior to January 1, 2013, the tax rate on special fuel  
23 for diesel engines of motor vehicles is twenty-two and one-half  
24 cents per gallon.

25 (2) For the period beginning January 1, 2013, and ending  
26 December 31, 2013, the tax rate on biodiesel blended fuel  
27 classified as B-10 or higher for diesel engines of motor  
28 vehicles is twenty-two and one-half cents per gallon and the  
29 tax rate on special fuel for diesel engines of motor vehicles  
30 other than biodiesel blended fuel classified as B-10 or higher  
31 is twenty-seven and one-half cents per gallon.

32 (3) Beginning January 1, 2014, the tax rate on biodiesel  
33 blended fuel classified as B-10 or higher for diesel engines  
34 of motor vehicles is twenty-two and one-half cents per gallon  
35 and the tax rate on special fuel for diesel engines of motor

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1 vehicles other than biodiesel blended fuel classified as B-10  
2 or higher is thirty-two and one-half cents per gallon.

3 (4) The rate of tax on special fuel for aircraft is three  
4 cents per gallon.

5 (5) On all other special fuel, unless otherwise specified in  
6 this section, the per gallon rate is the same as the motor fuel  
7 tax.

8 b. Indelible dye meeting United States environmental  
9 protection agency and internal revenue service regulations must  
10 be added to fuel before or upon withdrawal at a terminal or  
11 refinery rack for that fuel to be exempt from tax and the dyed  
12 fuel may be used only for an exempt purpose.

13 Sec. 6. APPLICABILITY — INVENTORY TAX. Notwithstanding  
14 section 452A.85, persons who have title to motor fuel, ethanol  
15 blended gasoline, undyed special fuel, compressed natural gas,  
16 or liquefied petroleum gas in storage and held for sale on  
17 the effective date of an increase in the rate of excise tax  
18 imposed on motor fuel, ethanol blended gasoline, or special  
19 fuel pursuant to this division of this Act shall not be subject  
20 to an inventory tax on the gallonage in storage as provided in  
21 section 452A.85 as a result of the tax increases provided in  
22 this division of this Act.

23 DIVISION II

24 ROAD FUNDING NEEDS — EQUITABLE SOLUTIONS

25 Sec. 7. Section 307.31, Code 2011, is amended to read as  
26 follows:

27 307.31 Periodic review of revenues — evaluation of  
28 alternative funding sources.

29 1. The department shall periodically review the current  
30 revenue levels of the road use tax fund and the sufficiency of  
31 those revenues for the projected construction and maintenance  
32 needs of city, county, and state governments in the future.  
33 The department shall submit a written report to the general  
34 assembly regarding its findings by December 31 every five  
35 two years, beginning in ~~2011~~ 2013. The report may include

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1 recommendations concerning funding levels needed to support the  
2 future mobility and accessibility for users of Iowa's public  
3 road system.

4 2. The department shall evaluate alternative funding  
5 sources for road maintenance and construction and report to  
6 the general assembly at least every ~~five~~ two years on the  
7 advantages and disadvantages and the viability of alternative  
8 funding mechanisms. The department's evaluation of alternative  
9 funding sources may be included in the report submitted to the  
10 general assembly under subsection 1.

11 Sec. 8. NEW SECTION. 307.32 Operation, maintenance, and  
12 improvement of state roads — annual review.

13 The department shall convene a meeting, at least annually,  
14 of representatives of Iowa cities and counties and the  
15 department to review practices relating to the operation,  
16 maintenance, and improvement of the state's public road system  
17 and to identify ways to jointly increase the efficiency of  
18 those practices.

19 Sec. 9. ALTERNATIVELY FUELED, HYBRID, AND HIGH FUEL  
20 EFFICIENCY VEHICLES. The department of transportation shall  
21 evaluate mechanisms that could be used as an alternative  
22 to the motor fuel tax in relation to alternatively fueled,  
23 hybrid, and high fuel efficiency vehicles, including commercial  
24 vehicles, to assure that owners and operators of those vehicles  
25 are required to share in the cost of maintaining, operating,  
26 and improving Iowa roads. The department shall recommend an  
27 alternative funding mechanism in its next report to the general  
28 assembly regarding alternative funding sources for roads as  
29 required under section 307.31.

30 Sec. 10. EQUITABLE FEE STUDY. The department of  
31 transportation shall conduct a study to determine whether  
32 the various types of vehicles and equipment using the public  
33 roadways are paying equitable fees used for the construction  
34 and maintenance of Iowa roads. The department shall report  
35 its findings and any recommendations to the general assembly

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1 by June 30, 2012.

2 Sec. 11. EFFECTIVE UPON ENACTMENT. The following provision  
3 of this Act, being deemed of immediate importance, takes effect  
4 upon enactment:

5 1. The section of this Act relating to an equitable fee  
6 study to be conducted by the department of transportation.

7 EXPLANATION

8 This bill contains various provisions relating to the  
9 funding of Iowa roads.

10 DIVISION I — MOTOR FUEL TAX. The bill increases the excise  
11 tax on motor fuel and special fuel used in motor vehicles,  
12 other than biodiesel blended fuel classified as B-10 or higher,  
13 by five cents beginning January 1, 2013, and by an additional  
14 five cents beginning January 1, 2014. The additional revenues  
15 shall be credited to the TIME-21 fund, subject to the statutory  
16 limitation on annual deposits to that fund. After the repeal  
17 of the TIME-21 fund on June 30, 2028, the revenues will accrue  
18 to the road use tax fund.

19 The bill provides that the distribution percentage formula  
20 for determining the difference in the excise tax imposed on  
21 ethanol blended gasoline and motor fuel other than ethanol  
22 blended gasoline, which is due to expire on June 30, 2012, is  
23 extended until June 30, 2022.

24 Pursuant to current law, when the rate of excise tax on  
25 motor fuel, ethanol blended gasoline, undyed special fuel,  
26 compressed natural gas, or liquefied petroleum gas is increased  
27 by more than one-half cent per gallon, a person who has title  
28 to such fuel held in storage for eventual sale is subject to an  
29 inventory tax based on the gallonage in storage at the close of  
30 the business day preceding the effective date of the increase.  
31 The bill waives that requirement by stating that the inventory  
32 tax shall not be imposed as a result of the tax increases  
33 provided in the bill.

34 DIVISION II — ROAD FUNDING NEEDS — EQUITABLE SOLUTIONS.  
35 Under current law, the department of transportation is required

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1 to periodically review current road use tax fund revenues  
2 and the sufficiency of those revenues to meet projected  
3 construction and maintenance needs of cities, counties, and the  
4 state and submit a report of its findings and recommendations  
5 to the general assembly every five years. The bill requires  
6 more frequent reports, every two years. In addition, the  
7 department is currently required to report to the general  
8 assembly at least every five years regarding the viability of  
9 alternative funding mechanisms for roads. The bill requires  
10 that the report on alternative funding mechanisms be made at  
11 least every two years.

12 The bill requires the department to convene a meeting of  
13 representatives of Iowa cities, counties, and the department at  
14 least annually to review practices relating to the operation,  
15 maintenance, and improvement of the state's public road system  
16 and identify ways to jointly increase efficiency.

17 The bill requires the department to evaluate and recommend  
18 mechanisms to be used as an alternative to the motor fuel tax  
19 for alternatively fueled, hybrid, and high fuel efficiency  
20 vehicles including commercial vehicles. The department's  
21 recommendations are to be included in its next periodic report  
22 to the general assembly regarding alternative funding sources.  
23 That report is due by December 31, 2013.

24 The department is also required to conduct a study to  
25 determine whether the various types of vehicles and equipment  
26 that use the public roadways are paying equitable fees in  
27 support of Iowa roads. The department shall report its  
28 findings and any recommendations to the general assembly by  
29 June 30, 2012. This provision of the bill is effective upon  
30 enactment.





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**Senate File 2225 - Introduced**

SENATE FILE 2225  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2035)

**A BILL FOR**

1 An Act relating to child abuse by prohibiting retaliation  
2 for reporting, providing for implementation of reporting  
3 policies at postsecondary institutions, requiring review of  
4 training requirements, and providing a remedy.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 232.73, unnumbered paragraph 2, Code  
2 2011, is amended to read as follows:

3 As used in this section and in sections 232.73A, 232.77, and  
4 232.78, "*medically relevant test*" means a test that produces  
5 reliable results of exposure to cocaine, heroin, amphetamine,  
6 methamphetamine, or other illegal drugs, or combinations or  
7 derivatives of the illegal drugs, including a drug urine screen  
8 test.

9 Sec. 2. NEW SECTION. 232.73A Retaliation prohibited —  
10 remedy.

11 1. a. An employer shall not take retaliatory action against  
12 an employee as a reprisal for the employee's participation in  
13 good faith in making a report, photograph, or X ray, or in  
14 the performance of a medically relevant test pursuant to this  
15 chapter, or aiding and assisting in an assessment of a child  
16 abuse report pursuant to section 232.71B. This section does  
17 not apply to a disclosure of information that is prohibited by  
18 statute.

19 b. For purposes of this section, "*retaliatory action*"  
20 includes but is not limited to an employer's action to  
21 discharge an employee or to take or fail to take action  
22 regarding an employee's appointment or proposed appointment  
23 to, to take or fail to take action regarding an employee's  
24 promotion or proposed promotion to, or to fail to provide an  
25 advantage in a position in employment.

26 2. Subsection 1 may be enforced through a civil action.

27 a. A person who violates subsection 1 is liable to  
28 an aggrieved employee for affirmative relief including  
29 reinstatement, with or without back pay, or any other equitable  
30 relief the court deems appropriate, including attorney fees and  
31 costs.

32 b. When a person commits, is committing, or proposes to  
33 commit an act in violation of subsection 1, an injunction may  
34 be granted through an action in district court to prohibit the  
35 person from continuing such acts. The action for injunctive

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1 relief may be brought by an aggrieved employee or the county  
2 attorney.

3 Sec. 3. Section 260C.14, Code 2011, is amended by adding the  
4 following new subsection:

5 NEW SUBSECTION. 23. Develop and implement a consistent  
6 written policy for an employee who in the scope of the person's  
7 employment responsibilities examines, attends, counsels,  
8 or takes a child to report suspected physical or sexual  
9 abuse. The policy shall include an employee's reporting  
10 responsibilities. The reporting responsibilities shall  
11 designate the time, circumstances, and method for reporting  
12 suspected child abuse to the community college's administration  
13 and reporting to law enforcement. Nothing in the policy shall  
14 prohibit an employee from reporting suspected child abuse in  
15 good faith to law enforcement.

16 Sec. 4. Section 261.9, subsection 1, unnumbered paragraph  
17 1, Code Supplement 2011, is amended to read as follows:

18 "*Accredited private institution*" means an institution of  
19 higher learning located in Iowa which is operated privately  
20 and not controlled or administered by any state agency or  
21 any subdivision of the state and which meets the criteria in  
22 paragraphs "a" and "b" and all of the criteria in paragraphs "d"  
23 through "~~g~~" "h", except that institutions defined in paragraph  
24 "c" of this subsection are exempt from the requirements of  
25 paragraphs "a" and "b":

26 Sec. 5. Section 261.9, subsection 1, Code Supplement 2011,  
27 is amended by adding the following new paragraph:

28 NEW PARAGRAPH. *h.* Develops and implements a consistent  
29 written policy for an employee who in the scope of the person's  
30 employment responsibilities examines, attends, counsels,  
31 or treats a child to report suspected physical or sexual  
32 abuse. The policy shall include an employee's reporting  
33 responsibilities. The reporting responsibilities shall  
34 designate the time, circumstances, and method for reporting  
35 suspected child abuse to the accredited private institution's

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1 administration and reporting to law enforcement. Nothing in  
2 the policy shall prohibit an employee from reporting suspected  
3 child abuse in good faith to law enforcement.

4 Sec. 6. Section 262.9, Code Supplement 2011, is amended by  
5 adding the following new subsection:

6 NEW SUBSECTION. 36. Develop and implement a consistent  
7 written policy for an employee who in the scope of the person's  
8 employment responsibilities examines, attends, counsels,  
9 or treats a child to report suspected physical or sexual  
10 abuse. The policy shall include an employee's reporting  
11 responsibilities. The reporting responsibilities shall  
12 designate the time, circumstances, and method for reporting  
13 suspected child abuse to the administration of the institution  
14 of higher learning and reporting to law enforcement. Nothing  
15 in the policy shall prohibit an employee from reporting  
16 suspected child abuse in good faith to law enforcement.

17 Sec. 7. MANDATORY CHILD ABUSE REPORTER TRAINING —  
18 COMMITTEE REVIEW.

19 1. A stakeholder committee shall be convened and staffed  
20 by the department of public health to review the training  
21 resources for mandatory reporters of child abuse. The review  
22 shall address the current training resources and identify  
23 options for increasing the frequency of the training and the  
24 availability of profession-specific training and for enhancing  
25 the effectiveness and quality of the training. The results  
26 of the review, including findings, recommendations, and cost  
27 projections, shall be submitted to the governor and general  
28 assembly on or before December 15, 2012.

29 2. The membership of the committee shall consist of  
30 stakeholders involved with the child protection system and  
31 representatives of the professions that are mandatory reporters  
32 of child abuse. The members shall be appointed, five members  
33 each, by the chairpersons of the committees on human resources  
34 of the senate and the house of representatives, in consultation  
35 with the ranking members of the committees. In addition, four

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1 members of the general assembly shall be appointed to serve in  
2 an ex officio, nonvoting capacity. The legislative members  
3 shall be selected, one member each, by the majority leader of  
4 the senate, the minority leader of the senate, the speaker of  
5 the house of representatives, and the minority leader of the  
6 house of representatives.

7 EXPLANATION

8 This bill relates to abuse of children by prohibiting  
9 retaliation for reporting, providing for implementation of  
10 reporting policies at postsecondary institutions, and requiring  
11 review of training requirements. New Code section 232.73A  
12 prohibits an employer from taking retaliatory action, as  
13 defined in the bill, against an employee as a reprisal for  
14 the employee's participation in good faith in making a child  
15 abuse report, photograph, or X ray, or in the performance  
16 of a medically relevant test, or aiding and assisting in an  
17 assessment of a child abuse report pursuant to Code section  
18 232.71B. The retaliation prohibition does not apply when  
19 the disclosure of information is prohibited by statute.  
20 The bill provides that the retaliation prohibition may be  
21 enforced through civil action. A person who violates the  
22 retaliation prohibition is liable to an aggrieved employee and  
23 if the person commits, is committing, or proposes to commit a  
24 prohibited retaliation, an injunction may be granted. The bill  
25 makes conforming amendments.

26 The bill requires the boards of directors for community  
27 colleges, accredited private institutions of higher learning,  
28 and the board of regents for institutions of higher learning  
29 to develop and implement a consistent written policy for  
30 an employee who, in the scope of the person's employment  
31 responsibilities, examines, attends, counsels, or treats a  
32 child to report suspected physical or sexual abuse. The policy  
33 must include an employee's responsibilities, including the  
34 time, circumstances, and method for reporting suspected child  
35 abuse to the postsecondary institution's administration and

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1 law enforcement. The bill states that the policy shall not  
2 prohibit an employee from reporting suspected child abuse in  
3 good faith to law enforcement.  
4 The bill requires a stakeholder committee, convened by the  
5 department of public health, to review the training resources  
6 for mandatory reporters of child abuse. The bill requires  
7 the results of the review to be submitted to the governor and  
8 general assembly on or before December 15, 2012.



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**Senate File 2226 - Introduced**

SENATE FILE 2226  
BY COMMITTEE ON ECONOMIC  
GROWTH/REBUILD IOWA  
  
(SUCCESSOR TO SF 2148)

**A BILL FOR**

1 An Act creating the manufactured housing program fund.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 16.100B Manufactured housing  
2 program fund.

3 1. A manufactured housing program fund is created within the  
4 authority to further the goal of providing affordable housing  
5 to Iowans. The moneys in the fund are annually appropriated to  
6 the authority for the purpose of providing funding to financing  
7 agents or financial institutions to finance the purchase by  
8 an individual of a manufactured home that is in compliance  
9 with all laws, rules, and standards that are applicable to  
10 manufactured homes and manufactured housing.

11 2. Moneys received by the authority for the manufactured  
12 housing program fund, transferred by the authority for deposit  
13 in the fund, appropriated to the fund, and any other moneys  
14 available to and obtained or accepted by the authority for  
15 placement in the fund shall be deposited in the fund and  
16 are appropriated to the authority to be used as set forth  
17 in this section. Additionally, recapture of awards and  
18 other repayments to the fund shall be deposited in and are  
19 appropriated to the fund. Notwithstanding section 8.33,  
20 unencumbered or unobligated moneys remaining in the fund on  
21 June 30 of any fiscal year shall not revert to any other fund  
22 but shall be available for expenditure in subsequent years.  
23 Notwithstanding section 12C.7, interest or earnings on moneys  
24 in the fund or appropriated to the fund shall be credited to  
25 the fund.

26 3. The authority shall allocate moneys available in the  
27 manufactured housing program fund to financing agents or  
28 financial institutions to be used as set forth in subsection  
29 1. The authority may provide funding to a financing agent or  
30 financial institution in the form of loans, linked deposits,  
31 guarantees, reserve funds, or any other prudent financial  
32 instruments.

33 4. The authority shall adopt rules pursuant to chapter  
34 17A including but not limited to eligibility requirements for  
35 financing agents or financial institutions to receive funding

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1 through the manufactured housing program fund and any other  
2 rules necessary to implement and administer this section.

3 5. For purposes of this section, "*manufactured home*" or  
4 "*manufactured housing*" means the same as defined in section  
5 435.1.

6 EXPLANATION

7 This bill creates the manufactured housing program fund  
8 within the Iowa finance authority to further the goal of  
9 providing affordable housing to Iowans. The moneys in the fund  
10 are annually appropriated to the authority for the purpose of  
11 providing funding to financing agents or financial institutions  
12 to finance the purchase by an individual of a manufactured  
13 home that is in compliance with all applicable laws, rules,  
14 and standards that are applicable to manufactured homes and  
15 manufactured housing.

16 The authority is required to allocate the moneys in the fund  
17 to financing agents and financial institutions to meet the  
18 purposes set forth in the bill and may provide funding in the  
19 form of loans, linked deposits, guarantees, reserve funds, or  
20 any other prudent financial instruments.

21 The authority is required to adopt rules that include but  
22 are not limited to eligibility requirements for financing  
23 agents and financial institutions to receive funding, and any  
24 other rules that are necessary to implement and administer the  
25 provisions of the bill.

26 For purposes of the bill, "*manufactured home*" or  
27 "*manufactured housing*" means a factory-built structure  
28 constructed under authority of 42 U.S.C. § 5403, that is  
29 required by federal law to display a seal from the United  
30 States department of housing and urban development, and was  
31 constructed on or after June 15, 1976.



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**Senate File 2227 - Introduced**

SENATE FILE 2227  
BY COMMITTEE ON ECONOMIC  
GROWTH/REBUILD IOWA  
  
(SUCCESSOR TO SSB 3151)

**A BILL FOR**

1 An Act relating to the amount allowable as an innovation fund  
2 investment tax credit and including effective date and  
3 retroactive applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6050SV (1) 84  
mm/sc



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1 Section 1. Section 15E.52, subsection 3, Code Supplement  
2 2011, is amended to read as follows:

3 3. The amount of a tax credit allowed under this section  
4 shall equal ~~twenty percent of~~ the following percentage of the  
5 taxpayer's equity investment in an innovation fund:

6 a. For equity investments made in fiscal years beginning on  
7 or after July 1, 2011, and ending on or before June 30, 2014,  
8 one hundred percent.

9 b. For equity investments made in fiscal years beginning on  
10 or after July 1, 2014, twenty percent.

11 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
12 immediate importance, takes effect upon enactment.

13 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies  
14 retroactively to July 1, 2011, for innovation fund tax credit  
15 certificates issued on or after that date.

16 EXPLANATION

17 This bill changes the amount allowable as an innovation fund  
18 investment tax credit under Code section 15E.52. Under current  
19 law, the credit is equal to 20 percent of a taxpayer's equity  
20 investment in an innovation fund. The bill changes the credit  
21 amount to 100 percent of an equity investment made in fiscal  
22 years beginning July 1, 2011, July 1, 2012, and July 1, 2013,  
23 and 20 percent for fiscal years beginning on or after July 1,  
24 2014.

25 The bill is effective upon enactment and applies  
26 retroactively to July 1, 2011, for innovation fund tax credit  
27 certificates issued on or after that date.



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**Senate File 2228 - Introduced**

SENATE FILE 2228

BY WARD

(COMPANION TO HF 2214 BY  
COMMITTEE ON TRANSPORTATION)

**A BILL FOR**

- 1 An Act prohibiting the use of automated traffic law enforcement
- 2 systems, and including effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TL5B 5038XS (3) 84  
dea/nh



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1 Section 1. **NEW SECTION. 321.5A Automated traffic law**  
2 **enforcement systems prohibited.**

3 1. The department or a local authority shall not place  
4 or cause to be placed on or adjacent to a street or highway,  
5 or maintain or employ the use of, an automated traffic law  
6 enforcement system for the enforcement of any provision of this  
7 chapter or any local ordinance relating to vehicular traffic or  
8 to prove a violation of any such provision or ordinance.

9 2. For purposes of this section, *"automated traffic law*  
10 *enforcement system"* means a device with one or more sensors  
11 working in conjunction with a traffic control signal or device  
12 or a speed-measuring device to produce recorded images of  
13 vehicles being operated in violation of traffic or speed laws.  
14 *"Automated traffic law enforcement system"* does not include a  
15 device operated in the presence of a peace officer or a device  
16 mounted on a school bus and operated in the presence of the  
17 driver of the school bus.

18 Sec. 2. **TERMINATION OF AUTOMATED TRAFFIC LAW ENFORCEMENT**  
19 **PROGRAMS — REMOVAL OF SYSTEMS — VALIDITY OF PRIOR NOTICES AND**  
20 **CITATIONS.**

21 1. A local authority using an automated traffic law  
22 enforcement system shall discontinue using the system on or  
23 before the effective date of this Act. A local authority shall  
24 remove all automated traffic law enforcement system equipment  
25 from the highways on or before July 1, 2012.

26 2. As of the effective date of this Act, all local  
27 ordinances authorizing the use of an automated traffic law  
28 enforcement system are void. However, notices of violations  
29 mailed or citations issued pursuant to such an ordinance  
30 prior to the date the ordinance becomes void shall not be  
31 invalidated under this Act and shall be processed according to  
32 the provisions of the law under which they were authorized.

33 Sec. 3. **EFFECTIVE UPON ENACTMENT.** This Act, being deemed of  
34 immediate importance, takes effect upon enactment.

35

EXPLANATION

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1 This bill prohibits the use of automated traffic law  
2 enforcement systems in Iowa.

3 Automated traffic law enforcement systems, commonly known  
4 as "red light cameras" or "speed cameras", are devices with  
5 one or more sensors which work in conjunction with a traffic  
6 control signal or device or a speed-measuring device to produce  
7 recorded images of vehicles being operated in violation of  
8 traffic or speed laws. The bill specifies that the term  
9 "automated traffic law enforcement system" does not include a  
10 device operated in the presence of a peace officer or a device  
11 mounted on a school bus and operated in the presence of the  
12 school bus driver.

13 The bill requires that a local authority currently using  
14 an automated traffic law enforcement system shall discontinue  
15 using the system on or before the effective date of the bill.  
16 All automated traffic law enforcement system equipment must be  
17 removed from the highways by July 1, 2012.

18 A local authority's ordinance authorizing the use of  
19 automated traffic law enforcement systems is void on the  
20 effective date of the bill, but notices of violations mailed  
21 or citations issued under such an ordinance shall not be  
22 invalidated and shall be processed according to the prior law.

23 The bill is effective upon enactment.



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**Senate File 2229 - Introduced**

SENATE FILE 2229  
BY GRONSTAL

**A BILL FOR**

1 An Act modifying the periods of time to bring civil and  
2 criminal actions relating to the sexual abuse of minors.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5473XS (5) 84  
jm/rj



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1 Section 1. Section 614.8, subsection 2, Code 2011, is  
2 amended to read as follows:

3 2. Except as provided in section 614.1, subsection 9, or  
4 section 614.8A, the times limited for actions in this chapter,  
5 or chapter 216, 669, or 670, except those brought for penalties  
6 and forfeitures, are extended in favor of minors, so that they  
7 shall have one year from and after attainment of majority  
8 within which to file a complaint pursuant to chapter 216, to  
9 make a claim pursuant to chapter 669, or to otherwise commence  
10 an action.

11 Sec. 2. Section 614.8A, Code 2011, is amended to read as  
12 follows:

13 **614.8A Damages Commencement of action for minor or child**  
14 **sexual abuse — time limitation.**

15 1. Notwithstanding section 614.8, subsection 2, and the  
16 times limited for actions in this chapter, the time to file an  
17 action relating to sexual abuse which occurred when the injured  
18 person was a minor, is extended ten years beyond the minor's  
19 attainment of eighteen years of age.

20 2. An In addition to the extension of time provided in  
21 subsection 1, an action for damages for injury suffered as a  
22 result of sexual abuse which occurred when the injured person  
23 was a child, but not discovered until after the injured person  
24 is of the age of majority, shall be brought within ~~four~~ ten  
25 years from the time of discovery by the injured party of both  
26 the injury and the causal relationship between the injury and  
27 the sexual abuse.

28 Sec. 3. Section 802.2, subsection 1, Code 2011, is amended  
29 to read as follows:

30 1. An information or indictment for sexual abuse in the  
31 first, second, or third degree committed on or with a person  
32 who is under the age of eighteen years shall be found within  
33 ~~ten~~ twenty years after the person upon whom the offense is  
34 committed attains eighteen years of age, or if the person  
35 against whom the information or indictment is sought is

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1 identified through the use of a DNA profile, an information or  
2 indictment shall be found within three years from the date the  
3 person is identified by the person's DNA profile, whichever is  
4 later.

5 EXPLANATION

6 This bill modifies the periods of time to bring civil and  
7 criminal actions relating to the sexual abuse of minors.

8 Under the bill, the time for filing a civil action relating  
9 to sexual abuse which occurred when the injured person was  
10 a minor is extended from one year after the attainment of  
11 majority to 10 years after the attainment of majority.

12 The bill also provides that a civil action for damages  
13 relating to sexual abuse which occurred when the injured party  
14 was a child under 14 years of age, shall be brought within 10  
15 years from the time of the discovery of both the injury and the  
16 causal relationship between the injury and the sexual abuse.  
17 Current law specifies such an action shall be brought within  
18 four years of the time of discovery of both the injury and the  
19 causal relationship between the injury and the sexual abuse.

20 The bill also specifies that a criminal information  
21 or indictment for sexual abuse in the first, second, or  
22 third degree committed on or with a person under the age of  
23 18 shall be found within 20 years of the sexually abused  
24 person attaining 18 years of age. Current law specifies the  
25 indictment or information for such sexual abuse be found within  
26 10 years of the sexually abused person attaining 18 years of  
27 age.



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**Senate File 2230 - Introduced**

SENATE FILE 2230  
BY HATCH

**A BILL FOR**

1 An Act relating to health care cost containment measures and  
2 providing for a fee.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5004SS (2) 84  
pf/nh



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1 Section 1. Section 505.8, Code Supplement 2011, is amended  
2 by adding the following new subsection:

3 NEW SUBSECTION. 6A. The commissioner shall establish  
4 a bureau, to be known as the "*health insurance and cost*  
5 *containment bureau*", as provided in section 505.20.

6 Sec. 2. NEW SECTION. 505.20 Health insurance and cost  
7 containment bureau — advisory board.

8 1. a. The commissioner shall establish a bureau, to be  
9 known as the "*health insurance and cost containment bureau*", for  
10 the purpose of creating methodologies to hold health carriers  
11 accountable for the fair treatment of health care providers and  
12 developing affordability standards for health carriers that  
13 direct carriers to promote improved accessibility, quality, and  
14 affordability of health care.

15 b. The commissioner shall employ professional and clerical  
16 staff to carry out the purposes and functions of the bureau.

17 c. The commissioner shall adopt rules under chapter 17A, in  
18 collaboration with the health insurance and cost containment  
19 advisory board, to administer and implement the purposes and  
20 functions of the bureau.

21 2. a. A health insurance and cost containment advisory  
22 board is created to assist the commissioner in carrying out  
23 the purposes of the bureau. The advisory board shall consist  
24 of seven voting members and seven nonvoting members. The  
25 voting members shall be appointed by the governor, subject to  
26 confirmation by the senate. The governor shall designate one  
27 voting member as chairperson and one as vice chairperson.

28 b. The voting members of the advisory board shall be  
29 appointed by the governor as follows:

30 (1) Two persons who represent the interests of small  
31 business from nominations made to the governor by nationally  
32 recognized groups that represent the interests of small  
33 business.

34 (2) Two persons who represent the interests of consumers  
35 from nominations made to the governor by nationally recognized

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1 groups that represent the interests of consumers.

2 (3) One person who is an insurance producer licensed under  
3 chapter 522B.

4 (4) One person who is a health care actuary or economist  
5 with expertise in health insurance.

6 (5) One person who is a health care provider.

7 *c.* The nonvoting members are as follows:

8 (1) The commissioner of insurance or the commissioner's  
9 designee.

10 (2) The director of human services or the director's  
11 designee.

12 (3) The director of public health or the director's  
13 designee.

14 (4) Four members of the general assembly, one appointed  
15 by the speaker of the house of representatives, one appointed  
16 by the minority leader of the house of representatives,  
17 one appointed by the majority leader of the senate, and one  
18 appointed by the minority leader of the senate.

19 *d.* Meetings of the advisory board shall be held at the call  
20 of the chairperson or upon the request of at least two voting  
21 members. Four voting members shall constitute a quorum and the  
22 affirmative vote of four voting members shall be necessary for  
23 any action taken by the advisory board.

24 *e.* The voting members of the advisory board shall be  
25 appointed for staggered terms of three years within sixty days  
26 after the effective date of this Act and by December 15 of  
27 each year thereafter. The initial terms of the voting members  
28 of the advisory board shall be staggered at the discretion  
29 of the governor. A voting member of the board is eligible  
30 for reappointment. The governor shall fill a vacancy on the  
31 board in the same manner as the original appointment for the  
32 remainder of the term.

33 *f.* Voting members of the advisory board may be reimbursed  
34 from the moneys collected from assessment fees for the  
35 administration of the bureau and the advisory board pursuant

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1 to subsection 7, for actual and necessary expenses incurred in  
2 the performance of their duties, but shall not be otherwise  
3 compensated for their services.

4 *g.* It shall be the duty of the advisory board to assist the  
5 bureau in carrying out the purposes and functions of the bureau  
6 by making recommendations for the creation of methodologies  
7 that hold health carriers in the state accountable for the fair  
8 treatment of health care providers and developing affordability  
9 standards for health carriers that direct such carriers to  
10 promote improved accessibility, quality, and affordability of  
11 health care. The advisory board shall also offer input to the  
12 commissioner regarding proposed rules, the operation of the  
13 bureau, and any other topics relevant to administering and  
14 implementing the purposes and functions of the bureau.

15 3. *a.* Health care affordability efforts shall initially  
16 focus on the primary care level of care in an effort to create a  
17 stronger primary care system and greater supply of more highly  
18 compensated primary care providers by targeting more funding to  
19 primary care.

20 *b.* Beginning on December 31, 2013, and each year thereafter,  
21 each health carrier shall report to the bureau, in a format  
22 and including information as required by the commissioner by  
23 rule, the carrier's proportion of medical expense paid for  
24 primary care for the previous twelve months and the proportion  
25 of medical expense to be allocated to primary care for the  
26 succeeding twelve months beginning on January 1, 2014, and each  
27 year thereafter. The proportion of medical expense paid for  
28 primary care shall increase by at least one percentage point  
29 per year for five years beginning on January 1, 2014.

30 *c.* Each health carrier shall submit a plan to the bureau  
31 each year in a format and including information as required by  
32 the commissioner by rule, that demonstrates how the increase in  
33 spending for primary care will be accomplished. The increase  
34 in spending for primary care shall be accomplished without  
35 contributing to an increase in premiums.

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1     4. Each health carrier shall support the implementation  
2 of the medical home system as developed and implemented by  
3 the department of public health and the medical home system  
4 advisory council pursuant to sections 135.157, 135.158, and  
5 135.159, by implementing the phase of the medical home system  
6 pursuant to section 135.159, subsection 11, that involves  
7 insurers and self-insured companies in making the medical  
8 home system available to individuals with private health care  
9 coverage. The health insurance and cost containment advisory  
10 board shall work collaboratively with the medical home system  
11 advisory council to implement this phase. In addition to the  
12 reimbursement methodologies and incentives for participation  
13 in the medical home system described in section 135.159,  
14 subsection 8, the advisory board and the medical home system  
15 advisory council shall review additional payment and system  
16 reforms to support the expanded implementation of the medical  
17 home system including but not limited to all of the following:  
18     *a.* Rewarding high-quality, low-cost providers.  
19     *b.* Creating participant incentives to receive care from  
20 high-quality, low-cost providers.  
21     *c.* Fostering collaboration among providers to reduce cost  
22 shifting from one part of the health care continuum to another.  
23     *d.* Creating incentives for providing health care in the  
24 least restrictive, most appropriate setting.  
25     *e.* Creating incentives to promote diversity in the size,  
26 geographic location, and accessibility of practices designated  
27 as medical homes throughout the state.  
28     5. Each health carrier shall demonstrate by December 31,  
29 2013, implementation of incentives consistent with the efforts  
30 of the department of public health and the electronic health  
31 information advisory council and executive committee pursuant  
32 to section 135.156 to promote adoption of electronic health  
33 records by health care providers at all levels of the health  
34 care continuum. Health carriers shall submit a report to  
35 the bureau by December 31, 2014, concerning the incentive



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1 programs that have been implemented in a format and including  
2 information as required by the commissioner by rule.

3 6. Each health carrier shall participate in efforts  
4 regarding comprehensive delivery system reform, including  
5 payment reform, in coordination with other payers and health  
6 care providers.

7 a. As an initial step to inform such efforts, the bureau  
8 and advisory board shall develop a plan to implement an  
9 all-payer claims database by December 31, 2013, to provide  
10 for the collection and analysis of claims data from multiple  
11 payers of health care delivered at all levels including but not  
12 limited to primary care, specialist care, outpatient surgery,  
13 inpatient stays, laboratory testing, and pharmacy data. The  
14 plan shall provide for development and implementation of a  
15 database that complies with any applicable requirements of the  
16 federal Act and that most effectively and efficiently provides  
17 data to determine health care utilization patterns and rates;  
18 identify gaps in prevention and health promotion services;  
19 evaluate access to care; assist with benefit design and  
20 planning; analyze statewide and local health care expenditures  
21 by provider, employer, and geography; inform the development  
22 of payment systems for providers; and establish clinical  
23 guidelines related to quality, safety, and continuity of care.  
24 The bureau shall submit the plan to the general assembly by  
25 December 31, 2012, including statutory changes necessary to  
26 collect and use such data, a standard means of collecting  
27 the data, an implementation and maintenance schedule, and a  
28 proposed budget and financing options for the database.

29 b. The bureau and advisory board shall also recommend a  
30 provider payment system plan to reform the health care provider  
31 payment system beyond primary care providers, including but  
32 not limited to specialty care, hospital, and long-term care  
33 providers, as an effective way to promote coordination of care,  
34 lower costs, and improve quality.

35 7. a. Funding to operate the bureau and the advisory board



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1 shall come from federal and private grants and from assessment  
2 fees charged to health carriers. The commissioner shall charge  
3 an assessment fee to all health carriers in this state, as  
4 necessary to support the activities and operations of the  
5 bureau and the advisory board as provided under this section.  
6 No state funding shall be appropriated or allocated for the  
7 operation or administration of the bureau or the advisory  
8 board. The assessment shall provide for the sharing of bureau  
9 and advisory board expenses on an equitable and proportionate  
10 basis among health carriers in the state as provided in this  
11 subsection.

12     **b.** Following the close of each calendar year, the  
13 commissioner shall determine the expenses for operation and  
14 administration of the bureau and the advisory board. The  
15 expenses incurred shall be assessed by the commissioner to  
16 all health carriers in proportion to their respective shares  
17 of total health insurance premiums or payments for subscriber  
18 contracts received in Iowa during the second preceding calendar  
19 year, or with paid losses in the year, coinciding with or  
20 ending during the calendar year or on any other equitable basis  
21 as provided by rule. In sharing expenses, the commissioner  
22 may abate or defer in any part the assessment of a health  
23 carrier, if, in the opinion of the commissioner, payment of the  
24 assessment would endanger the ability of the health carrier to  
25 fulfill its contractual obligations. The commissioner may also  
26 provide for an initial or interim assessment against health  
27 carriers if necessary to assure the financial capability of  
28 the commissioner to meet the incurred or estimated operating  
29 expenses of the bureau and the advisory board until the next  
30 calendar year is completed.

31     **c.** For purposes of this subsection, "*total health insurance*  
32 *premiums*" and "*payments for subscriber contracts*" include,  
33 without limitation, premiums or other amounts paid to or  
34 received by a health carrier for individual and group health  
35 plan care coverage provided under any chapter of the Code or





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1 Acts, and *“paid losses”* includes, without limitation, claims  
2 paid by a health carrier operating on a self-funded basis for  
3 individual and group health plan care coverage provided under  
4 any chapter of the Code or Acts. For purposes of calculating  
5 and conducting the assessment, the commissioner shall have  
6 the express authority to require health carriers to report on  
7 an annual basis each health carrier’s total health insurance  
8 premiums and payments for subscriber contracts and paid losses.  
9 A health carrier is liable for its share of the assessment  
10 calculated in accordance with this subsection regardless of  
11 whether it participates in the individual insurance market.

12 8. The commissioner shall keep an accurate accounting of  
13 all activities, receipts, and expenditures of the bureau and  
14 advisory board and annually submit to the governor, the general  
15 assembly, and the public, a report concerning such accounting.

16 9. The bureau and the advisory board shall coordinate their  
17 activities with the Iowa Medicaid enterprise of the department  
18 of human services, the department of revenue, the department of  
19 public health, and the insurance division of the department of  
20 commerce to ensure that the state fulfills the requirements of  
21 the federal Act and to ensure that in the event that a health  
22 insurance exchange is established in the state, the functions  
23 and activities of the bureau and the advisory board can be  
24 seamlessly integrated into the exchange.

25 10. As used in this section, unless the context otherwise  
26 requires:

27 a. *“Advisory board”* means the health insurance and cost  
28 containment advisory board.

29 b. *“Bureau”* means the health insurance and cost containment  
30 bureau.

31 c. *“Commissioner”* means the commissioner of insurance.

32 d. *“Federal Act”* means the federal Patient Protection and  
33 Affordable Care Act, Pub. L. No. 111-148, as amended by the  
34 federal Health Care and Education Reconciliation Act of 2010,  
35 Pub. L. No. 111-152, and any amendments thereto, or regulations

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1 or guidance issued under those Acts.

2     *e. "Health care provider"* means a physician who is licensed  
3 under chapter 148, or a person who is licensed as a physician  
4 assistant under chapter 148C or as an advanced registered nurse  
5 practitioner.

6     *f. "Health carrier"* means an entity subject to the insurance  
7 laws and rules of this state, or subject to the jurisdiction  
8 of the commissioner, that contracts or offers to contract to  
9 provide, deliver, arrange for, pay for, or reimburse any of  
10 the costs of health care services, including an insurance  
11 company offering sickness and accident plans, a health  
12 maintenance organization, a nonprofit hospital or health  
13 service corporation, or any other entity providing a plan of  
14 health insurance, health benefits, or health services.

15     *g. (1) "Health insurance"* means benefits consisting  
16 of health care provided directly, through insurance or  
17 reimbursement, or otherwise, and including items and services  
18 paid for as health care under a hospital or health service  
19 policy or certificate, hospital or health service plan  
20 contract, or health maintenance organization contract offered  
21 by a carrier.

22     (2) *"Health insurance"* does not include any of the  
23 following:

24     (a) Coverage for accident-only or disability income  
25 insurance.

26     (b) Coverage issued as a supplement to liability insurance.

27     (c) Liability insurance, including general liability  
28 insurance and automobile liability insurance.

29     (d) Workers' compensation or similar insurance.

30     (e) Automobile medical-payment insurance.

31     (f) Credit-only insurance.

32     (g) Coverage for on-site medical clinic care.

33     (h) Other similar insurance coverage, specified in  
34 federal regulations, under which benefits for medical care  
35 are secondary or incidental to other insurance coverage or

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1 benefits.

2 (3) "*Health insurance*" does not include benefits provided  
3 under a separate policy as follows:

4 (a) Limited scope dental or vision benefits.

5 (b) Benefits for long-term care, nursing home care, home  
6 health care, or community-based care.

7 (c) Any other similar limited benefits as provided by rule  
8 of the commissioner.

9 (4) "*Health insurance*" does not include benefits offered as  
10 independent noncoordinated benefits as follows:

11 (a) Coverage only for a specified disease or illness.

12 (b) A hospital indemnity or other fixed indemnity  
13 insurance.

14 (5) "*Health insurance*" does not include Medicare  
15 supplemental health insurance as defined under section  
16 1882(g)(1) of the federal Social Security Act, coverage  
17 supplemental to the coverage provided under 10 U.S.C. ch. 55,  
18 or similar supplemental coverage provided to coverage under  
19 group health insurance coverage.

20 (6) "*Group health insurance coverage*" means health insurance  
21 offered in connection with a group health plan.

22 Sec. 3. NEW SECTION. 513B.16 Premium rate increases —  
23 public hearing and comment.

24 1. All health insurance carriers licensed to do business  
25 in the state under this chapter shall immediately notify the  
26 commissioner and policyholders of any proposed rate increase  
27 exceeding the average annual health spending growth rate stated  
28 in the most recent national health expenditure projection  
29 published by the centers for Medicare and Medicaid services of  
30 the United States department of health and human services, at  
31 least ninety days prior to the effective date of the increase.  
32 Such notice shall specify the rate increase proposed that is  
33 applicable to each policyholder and shall include ranking and  
34 quantification of those factors that are responsible for the  
35 amount of the rate increase proposed. The notice shall include

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1 information about how the policyholder can contact the consumer  
2 advocate for assistance.

3 2. The commissioner shall hold a public hearing at least  
4 thirty days before the proposed rate increase is to take  
5 effect.

6 3. The consumer advocate shall solicit public comments on  
7 each proposed health insurance rate increase if the increase  
8 exceeds the average annual health spending growth rate as  
9 provided in subsection 1, and shall post without delay during  
10 the normal business hours of the division, all comments  
11 received on the insurance division's internet site prior to the  
12 effective date of the increase.

13 4. The consumer advocate shall present the public  
14 testimony, if any, and public comments received, for  
15 consideration by the commissioner prior to the effective date  
16 of the increase.

17 EXPLANATION

18 This bill relates to health care cost containment measures.  
19 The bill requires the commissioner of insurance to establish  
20 a health insurance and cost containment bureau within  
21 the insurance division which is responsible for creating  
22 methodologies to hold health carriers accountable for the fair  
23 treatment of health care providers and developing affordability  
24 standards for health insurance carriers that direct carriers  
25 to promote improved accessibility, quality, and affordability  
26 of health care.

27 A health insurance and cost containment advisory board  
28 is also created to assist the commissioner of insurance in  
29 carrying out the purposes of the new bureau. The advisory  
30 board is comprised of seven voting members appointed by the  
31 governor, subject to confirmation by the senate, and seven  
32 nonvoting members. The members shall be appointed within 60  
33 days after the effective date of the bill. The voting members  
34 are to represent small business, consumers, and insurance  
35 producers, and shall include a health care actuary or economist

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1 with expertise in health insurance and a health care provider.  
2 The nonvoting members are the commissioner of insurance, the  
3 director of human services, and the director of public health,  
4 or their designees, and four members of the general assembly  
5 appointed by majority and minority leaders in the house of  
6 representatives and the senate.

7 Health care affordability efforts must initially focus on  
8 primary care to create a stronger primary care system and  
9 a greater supply of more highly compensated primary care  
10 providers by targeting more funding to primary care. Beginning  
11 on December 31, 2013, and each year thereafter, each health  
12 insurance carrier in the state is required to report to the  
13 bureau the carrier's proportion of medical expense paid for  
14 primary care for the previous 12 months and the proportion  
15 of medical expense to be allocated to primary care for the  
16 succeeding 12 months beginning on January 1, 2014, and each  
17 year thereafter. The proportion of medical expense paid for  
18 primary care must increase by at least one percentage point  
19 per year for five years beginning on January 1, 2014. Health  
20 insurance carriers are also required to submit a plan that  
21 demonstrates how the increase in spending for primary care  
22 will be accomplished without contributing to an increase in  
23 premiums.

24 Health insurance carriers are required to support the  
25 implementation of the phase of the medical home system as  
26 developed and implemented by the department of public health  
27 that involves making the medical home system available  
28 to individuals with private health care coverage. The  
29 advisory board shall collaborate with the medical home  
30 system advisory council to implement this phase and to review  
31 additional payment and system reforms to support the expanded  
32 implementation of the medical home system.

33 Health insurance carriers are required to demonstrate by  
34 December 31, 2013, implementation of incentives consistent  
35 with the efforts of the department of public health and the

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1 electronic health information advisory council and executive  
2 committee to promote adoption of electronic health records  
3 by health care providers at all levels of the health care  
4 continuum. Health carriers shall submit a report to the bureau  
5 by December 31, 2014, concerning the incentive programs that  
6 have been implemented.

7 Health insurance carriers are required to participate in  
8 efforts to achieve comprehensive system reform, including  
9 payment reform, in coordination with other payers and health  
10 care providers. To inform such efforts, the health insurance  
11 and cost containment bureau and advisory board shall develop a  
12 plan to implement an all-payer claims database by December 31,  
13 2013, that provides for the collection and analysis of claims  
14 data from multiple payers of health care delivered at all  
15 levels. The planned database shall comply with all applicable  
16 requirements of the federal Patient Protection and Affordable  
17 Care Act. The bureau shall submit the plan to the general  
18 assembly by December 31, 2012. The bureau and the advisory  
19 board shall also recommend a provider payment system plan to  
20 reform the health care provider payment system beyond primary  
21 care providers.

22 Funding to operate the new bureau and advisory board shall  
23 come from federal and private grants and from assessment fees  
24 charged to health insurance carriers as provided in the bill.  
25 No state funding shall be appropriated for the operation or  
26 administration of the bureau or the advisory board.

27 The commissioner is required to keep an accurate accounting  
28 of all activities, receipts, and expenditures of the bureau and  
29 advisory board and annually submit a report of such accounting  
30 to the governor, the general assembly, and the public.

31 The bureau and the advisory board shall coordinate their  
32 activities with the Iowa Medicaid enterprise of the department  
33 of human services, the department of revenue, the department  
34 of public health, and the insurance division of the department  
35 of commerce to ensure that the state fulfills the requirements

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1 of the federal Patient Protection and Affordable Care Act and  
2 to ensure that in the event a health insurance exchange is  
3 established in the state, the functions and activities of the  
4 bureau and the advisory board can be seamlessly integrated into  
5 the exchange.

6 The bill also requires that all health insurance carriers  
7 licensed in the state to provide health insurance to small  
8 employers with two to 50 employees must immediately notify  
9 the commissioner and policyholders of any proposed rate  
10 increase exceeding the average annual health spending growth  
11 rate stated in the most recent national health expenditure  
12 projection published by the centers for Medicare and Medicaid  
13 services of the United States department of health and human  
14 services, at least 90 days prior to the effective date of the  
15 increase. The notice must specify the rate increase applicable  
16 to each policyholder and rank and quantify the factors that are  
17 responsible for the amount of the rate increase proposed. The  
18 commissioner is required to hold a public hearing at least 30  
19 days before a proposed rate increase is to take effect. The  
20 consumer advocate must solicit public comments on each proposed  
21 small employer health insurance rate increase and post the  
22 comments on the insurance division's internet site.



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**Senate File 2231 - Introduced**

SENATE FILE 2231  
BY COMMITTEE ON JUDICIARY  
  
(SUCCESSOR TO SSB 3061)

**A BILL FOR**

1 An Act relating to the practices and procedures of the state  
2 public defender.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 13B.4, subsections 2 and 3, Code 2011,  
2 are amended to read as follows:

3 2. The state public defender shall file a notice with the  
4 clerk of the district court in each county served by a public  
5 defender designating which public defender office shall receive  
6 notice of appointment of cases. ~~The state public defender may~~  
7 ~~also enter into a contract with a nonprofit organization or~~  
8 ~~an attorney, designating that the nonprofit organization or~~  
9 ~~attorney provide legal services to eligible indigent persons~~  
10 ~~as the state public defender's designee. The state public~~  
11 ~~defender may also designate a person admitted to practice law~~  
12 in this state or a nonprofit organization employing persons  
13 admitted to practice law in this state to be appointed by the  
14 court as a designee of the state public defender. In each  
15 county in which the state public defender files a designation,  
16 the state public defender's designee shall be appointed by the  
17 court to represent all eligible persons or to serve as guardian  
18 ad litem for eligible children in juvenile court in all cases  
19 and proceedings specified in the designation. The appointment  
20 shall not be made if the state public defender or the state  
21 public defender's designee notifies the court that the state  
22 public defender's designee will not provide services in certain  
23 cases as identified in the designation by the state public  
24 defender.

25 3. The state public defender may contract with persons  
26 admitted to practice law in this state and nonprofit  
27 organizations employing persons admitted to practice law in  
28 this state for the provision of legal services to indigent  
29 persons. The contract may incorporate administrative rules  
30 into the terms of the contract or expressly provide that  
31 payments may be paid that are other than on an hourly rate  
32 basis for legal services provided, including but not limited to  
33 a fixed rate per case or per month.

34 Sec. 2. Section 13B.9, subsection 1, paragraphs a and b,  
35 Code 2011, are amended to read as follows:

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1     ~~a. Represent without fee~~ an indigent person who is under  
2 arrest or charged with a crime if the indigent person requests  
3 representation or the court orders representation when the type  
4 of case, the county, and the court have been designated for  
5 such representation by the state public defender. The local  
6 public defender shall counsel and defend an indigent defendant  
7 at every stage of the criminal proceedings and prosecute  
8 before or after conviction any appeals or other remedies which  
9 the local public defender considers to be in the interest of  
10 justice unless other counsel is appointed to the case.

11    ~~b. Represent an indigent party, without fee and upon an~~  
12 order of the court, in child in need of assistance, family in  
13 need of assistance, delinquency, and termination of parental  
14 rights proceedings pursuant to chapter 232 ~~in a county served~~  
15 ~~by a public defender~~ when designated by the state public  
16 defender to represent the indigent party in the type of case  
17 for that county. The local public defender shall counsel and  
18 represent an indigent party in all proceedings pursuant to  
19 chapter 232 ~~in a county served by a public defender to which~~  
20 the local public defender is appointed and prosecute before or  
21 after judgment any appeals or other remedies which the local  
22 public defender considers to be in the interest of justice  
23 unless other counsel is appointed to the case.

24    Sec. 3. Section 13B.9, subsection 4, paragraph a, Code 2011,  
25 is amended to read as follows:

26    ~~a. If a conflict of interest arises or if the local public~~  
27 defender is unable to handle a case because of a temporary  
28 overload of cases, the local public defender shall return the  
29 case to the court. If the case is returned and the state  
30 public defender has filed a successor designation, the court  
31 shall appoint the successor designee. If there is no successor  
32 designee on file, the court shall make the appointment pursuant  
33 to section 815.10. As used in this subsection, "successor  
34 designee" may include another local public defender office, or a  
35 nonprofit organization or a person admitted to practice law in

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1 this state that has contracted with the state public defender  
2 under section 13B.4, subsection 3.

3 Sec. 4. Section 602.8107, subsection 1, Code 2011, is  
4 amended to read as follows:

5 1. As used in this section, "*court debt*" means all fines,  
6 penalties, court costs, fees, forfeited bail, surcharges  
7 under chapter 911, victim restitution, ~~restitution for~~  
8 court-appointed attorney fees or for expenses of a public  
9 defender ordered pursuant to section 815.9, or fees charged  
10 pursuant to section 356.7 or 904.108.

11 Sec. 5. Section 814.11, subsections 3 and 4, Code 2011, are  
12 amended to read as follows:

13 3. In a juvenile case ~~in which a petition on appeal is~~  
14 ~~required~~ under chapter 232 or a proceeding under chapter 600A,  
15 the trial attorney shall continue representation throughout the  
16 appeal without an additional appointment order unless the court  
17 grants the attorney permission to withdraw from the case. If  
18 the court grants the attorney permission to withdraw, the court  
19 shall appoint an attorney who has a contract with the state  
20 public defender to provide legal services in appellate cases.

21 4. ~~If the state appellate defender is unable to handle the~~  
22 ~~case or withdraws from the case, or if the appeal is other~~  
23 ~~than an indictable offense or denial of postconviction relief~~  
24 ~~including a juvenile case in which a petition on appeal is not~~  
25 ~~required or a juvenile case in which the trial attorney has~~  
26 ~~withdrawn from the case,~~ In all other cases not specified in  
27 subsection 2 or 3, or except as otherwise provided in this  
28 section, the court shall appoint an attorney to represent  
29 an indigent person who has a contract with the state public  
30 defender to handle such an appeal provide legal services in  
31 appellate cases.

32 Sec. 6. Section 815.4, Code 2011, is amended by striking the  
33 section and inserting in lieu thereof the following:

34 **815.4 Special witnesses for indigents.**

35 1. An application for an expert or other witnesses under

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1 Iowa rule of criminal procedure 2.20 shall include a statement  
2 attesting that the attorney advised the indigent person of  
3 the application, the expected expenses, and the potential for  
4 reimbursement of the expenses pursuant to section 815.9.

5 2. a. The court shall authorize the securing of a witness  
6 prior to the witness incurring any expenses.

7 b. The court shall either set in advance a maximum dollar  
8 amount of the claim for expenses or approve the final amount of  
9 the claim for expenses as reasonable compensation.

10 c. The state public defender shall only approve the claim  
11 for the expenses of the witness if the securing of the witness  
12 was authorized by the court and either the maximum dollar  
13 amount of the claim for expenses was set prior to the expenses  
14 being incurred or the court has approved the final amount of  
15 the claim for expenses as reasonable compensation.

16 3. A witness secured for an indigent person under Iowa rule  
17 of criminal procedure 2.20 shall file a claim for compensation  
18 with the state public defender as required by the rules of the  
19 state public defender, and the claim shall be supported by an  
20 itemization specifying the time expended, services rendered,  
21 and expenses incurred on behalf of the indigent person.

22 Sec. 7. Section 815.7, subsection 5, Code 2011, is amended  
23 to read as follows:

24 5. The expenses shall include any sums as are necessary  
25 for investigations in the interest of justice, and the cost of  
26 obtaining the transcript of the trial record and briefs if an  
27 appeal is filed. The attorney need not follow the case into  
28 another county or into the appellate court unless so directed  
29 by the court. If the attorney follows the case into another  
30 county or into the appellate court, the attorney shall be  
31 entitled to compensation as provided in this section. Only one  
32 attorney fee shall be so awarded in any one case except that in  
33 class "A" felony cases, two may be authorized if both attorneys  
34 are appointed pursuant to section 815.10.

35 Sec. 8. Section 815.9, subsection 3, Code 2011, is amended

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1 to read as follows:

2 3. If a person is granted an appointed attorney, the  
3 person shall be required to reimburse the state for the total  
4 cost of legal assistance provided to the person pursuant to  
5 this section. "*Legal assistance*" as used in this section  
6 shall include not only the expense of the public defender or  
7 an appointed attorney, but also transcripts, witness fees,  
8 expenses, and any other goods or services required by law to  
9 be provided to an indigent person entitled to an appointed  
10 attorney.

11 Sec. 9. Section 815.9, subsections 4, 5, 6, 7, and 9, Code  
12 2011, are amended by striking the subsections and inserting in  
13 lieu thereof the following:

14 4. a. If the appointed attorney is a public defender, the  
15 attorney shall submit a report to the court specifying the  
16 total hours of service plus expenses incurred in providing  
17 legal assistance to the person. In a criminal case, the report  
18 shall be submitted within ten days of the date of sentencing,  
19 acquittal, or dismissal. In a case other than a criminal case,  
20 the report shall be submitted within ten days of any court  
21 ruling or the conclusion of a trial held in the case, or if the  
22 case is dismissed within ten days of the dismissal.

23 b. If the appointed attorney is a private attorney or is  
24 employed by a nonprofit organization, the state public defender  
25 shall report to the clerk of the district court the amounts  
26 of any approved claims for compensation and expenses paid on  
27 behalf of a person receiving legal assistance after such claims  
28 have been reviewed and paid by the state public defender.

29 5. If the person receiving legal assistance is convicted in  
30 a criminal case, the total costs and fees incurred for legal  
31 assistance shall be ordered paid when the reports submitted  
32 pursuant to subsection 4 are received by the court, and the  
33 court shall order the payment of such amounts as restitution,  
34 to the extent to which the person is reasonably able to pay,  
35 or order the performance of community service in lieu of such

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1 payments, in accordance with chapter 910.

2 6. If the person receiving legal assistance is acquitted in  
3 a criminal case or is a party in a case other than a criminal  
4 case, the court shall order the payment of all or a portion of  
5 the total costs and fees incurred for legal assistance, to the  
6 extent the person is reasonably able to pay, after an inquiry  
7 which includes notice and reasonable opportunity to be heard.

8 7. When ordering payment of all or a portion of the total  
9 costs and fees incurred for legal assistance under subsection  
10 6, the court may order payment of the costs and fees in  
11 reasonable installments as provided in section 909.3, or may  
12 order the entire amount due and payable. If any costs and fees  
13 are not paid at the time specified in the order of the court,  
14 a judgment shall be entered against the person for any unpaid  
15 amount. Such judgment may be enforced by the state in the same  
16 manner as a civil judgment.

17 9. Notwithstanding subsections 3 and 6, a minor granted a  
18 court-appointed attorney or guardian ad litem under section  
19 232.11 in a juvenile proceeding shall not be ordered to  
20 reimburse costs and fees incurred for legal assistance except  
21 as otherwise provided in chapter 232.

22 Sec. 10. Section 815.10, subsections 1 and 2, Code 2011, are  
23 amended to read as follows:

24 1. a. The court, for cause and upon its own motion or  
25 upon application by an indigent person or a public defender,  
26 shall appoint the state public defender's designee pursuant  
27 to section 13B.4 to represent an indigent person at any stage  
28 of the criminal, postconviction, contempt, commitment under  
29 chapter 229A, termination under chapter 600A, detention under  
30 section 811.1A, competency under chapter 812, parole revocation  
31 if applicable under section 908.2A, or juvenile proceedings or  
32 on appeal of any criminal, postconviction, contempt, commitment  
33 under chapter 229A, termination under chapter 600A, detention  
34 under section 811.1A, competency under chapter 812, parole  
35 revocation under chapter 908, or juvenile action in which the

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1 indigent person is entitled to legal assistance at public  
2 expense. However, in juvenile cases, the court may directly  
3 appoint an existing nonprofit corporation established for and  
4 engaged in the provision of legal services for juveniles. An  
5 appointment shall not be made unless the person is determined  
6 to be indigent under section 815.9. ~~Only one attorney shall~~  
7 ~~be appointed~~

8 b. An indigent person is entitled to the appointment of  
9 one attorney in all cases, except that in class "A" felony  
10 cases the court may appoint two attorneys. However, in a class  
11 "A" felony case, a person who is represented by a privately  
12 retained attorney or by an attorney who has agreed to represent  
13 the person is not entitled to have an attorney appointed to  
14 represent the person based upon the indigence of the person.

15 2. If the state public defender or the state public  
16 defender's designee is unable to represent an indigent person,  
17 the court shall appoint an attorney who has a contract with the  
18 state public defender to represent the person in the particular  
19 type of case and in the county in which the case is pending.

20 Sec. 11. Section 815.10A, subsection 3, Code 2011, is  
21 amended to read as follows:

22 3. a. An attorney shall obtain court approval prior  
23 to exceeding the fee limitations established by the state  
24 public defender pursuant to section 13B.4. An attorney may  
25 exceed the fee limitations if good cause for exceeding the fee  
26 limitations is shown. An attorney may obtain court approval  
27 after exceeding the fee limitations if good cause excusing  
28 the attorney's failure to seek approval prior to exceeding  
29 the fee limitations is shown. However, failure to file an  
30 application to exceed a fee limitation prior to exceeding the  
31 fee limitation does not constitute good cause. The order  
32 approving an application to exceed the fee limitations shall  
33 be effective from the date of filing the application unless  
34 the court order provides an alternative effective date. The  
35 application and the court order approving the application to

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1 exceed fee limitations and any other order affecting the amount  
2 of compensation or reimbursement shall be submitted with any  
3 claim for compensation.

4 b. Except for an application to exceed fee limitations by  
5 an attorney or guardian ad litem representing a juvenile in a  
6 juvenile proceeding, an application to exceed fee limitations  
7 shall include a statement attesting that the attorney advised  
8 the indigent person of the application, and the potential for  
9 reimbursement of the attorney fees pursuant to section 815.9.

10 Sec. 12. Section 815.14, Code 2011, is amended to read as  
11 follows:

12 **815.14 Fee for public defender.**

13 ~~When determining the~~ The amount of restitution for the  
14 expense of the public defender for each case under section  
15 ~~910.3, the expense of the public defender or the total cost~~  
16 of legal assistance required to be reimbursed under section  
17 815.9, subsection 3, shall be include all expenses incurred in  
18 the representation of the person combined with the attorney  
19 fees for the public defender calculated at the same hourly rate  
20 of compensation specified under section 815.7. However, the  
21 The expense of the public defender ~~shall not~~ may exceed the  
22 fee limitations established in section 13B.4. The expense of  
23 the public defender required to be reimbursed is subject to a  
24 determination of the extent to which the person is reasonably  
25 able to pay, as provided for in section 815.9 and chapter 910.

26 EXPLANATION

27 This bill relates to the practices and procedures of the  
28 state public defender.

29 The bill specifies that the state public defender may  
30 designate a person admitted to practice law in this state or a  
31 nonprofit organization employing persons admitted to practice  
32 law in this state to be appointed by the court as a designee of  
33 the state public defender. Current law provides that the state  
34 public defender may enter into a contract with an attorney or a  
35 nonprofit organization to serve as the designee of the state

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1 public defender.

2 The bill allows a contract between the state public defender  
3 and an attorney or a nonprofit organization to incorporate  
4 administrative rules into the terms of the contract or  
5 expressly provide payment terms that include payments at a  
6 fixed rate per case or per month.

7 The bill strikes provisions stating that the public defender  
8 shall represent a person without charging a fee.

9 Under the bill, if the court orders the local public defender  
10 to represent an indigent person, the order shall be for the  
11 type of case, in a county, and in a court designated by the  
12 state public defender.

13 If it becomes necessary to appoint a successor designee to  
14 represent an indigent person because the local public defender  
15 is unable to handle the case, the bill allows the successor  
16 designee to be a person admitted to practice law in this state  
17 who has a contract with the state public defender. Current  
18 law specifies the successor designee may include another local  
19 public defender office or a nonprofit organization.

20 The bill provides that in a juvenile case or in a termination  
21 of parental rights proceeding under Code chapter 600A where the  
22 court grants the trial attorney permission to withdraw from the  
23 case during the appeal, the court shall appoint an attorney who  
24 has a contract with the state public defender to provide legal  
25 services in appellate cases. The bill further specifies that  
26 in all other cases involving an appeal by an indigent person,  
27 except as otherwise provided in Code section 814.11, the court  
28 shall appoint an attorney who has a contract with the state  
29 public defender to provide legal services in appellate cases.

30 The bill makes changes to securing a special witness for  
31 an indigent person. Under the bill, an application for a  
32 special witness shall include a statement attesting that the  
33 attorney advised the indigent person of the application, the  
34 expected expense, and that the indigent person may be required  
35 to reimburse the state for the expense of the special witness.

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1 The bill provides that the court shall authorize the  
2 securing of a special witness and set the maximum amount of the  
3 expenses prior to the special witness incurring any expenses or  
4 approve the final amount of the claim of the special witness  
5 as reasonable compensation. The bill provides that the state  
6 public defender shall only approve the claim for the expenses  
7 of the special witness if the securing of the special witness  
8 was authorized by the court and either the maximum dollar  
9 amount of the claim for expenses was set prior to the expenses  
10 being incurred or the court has approved the final amount of  
11 the claim for expenses as reasonable compensation.

12 The bill specifies that two separate attorney fees may  
13 be awarded in a class "A" felony case if both attorneys are  
14 appointed pursuant to Code section 815.10.

15 The bill specifies that an indigent person shall be  
16 required to reimburse the state for the total cost of the  
17 legal assistance provided, including the expense of the public  
18 defender.

19 Under the bill, if an appointed attorney is a public  
20 defender, the attorney shall submit a report specifying the  
21 total hours of legal services provided plus expenses incurred  
22 representing an indigent person, within 10 days of sentencing,  
23 acquittal, or dismissal. In cases where the attorney  
24 representing an indigent person is a private attorney or is  
25 employed by a nonprofit organization, the bill requires the  
26 state public defender to report to the clerk of the district  
27 court the amount of the approved claim paid to the private  
28 attorney or nonprofit organization on behalf of the indigent  
29 person. The bill specifies the court shall order the total  
30 costs and fees incurred for legal assistance provided to an  
31 indigent person be paid as restitution, to the extent to which  
32 the person is reasonably able to pay, or order the performance  
33 of community service in lieu of paying restitution.

34 The bill provides that if an indigent person receiving legal  
35 assistance is acquitted in a criminal case or is a party in

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1 a case other than a criminal case, the court shall order the  
2 indigent person to pay a portion or all of the total costs  
3 and fees incurred for the legal assistance, to the extent  
4 the indigent person is reasonably able to pay. The bill  
5 also provides that the total costs and fees may be paid in  
6 reasonable installments pursuant to Code section 909.3.

7 The bill states a minor granted a court-appointed attorney  
8 or guardian ad litem shall not be ordered to reimburse costs  
9 and fees incurred for legal assistance provided on behalf of  
10 the minor in a juvenile proceeding.

11 In a class "A" felony case, the bill specifies that a person  
12 who is represented by a privately retained attorney or by an  
13 attorney who has agreed to represent the person is not entitled  
14 to have an attorney appointed to represent the person based  
15 upon the indigence of the person.

16 Except for an application to exceed fee limitations by an  
17 attorney or guardian ad litem for representing a juvenile in  
18 a juvenile proceeding, the bill requires an application to  
19 exceed fee limitations to include a statement attesting that  
20 the attorney advised the indigent person of the application,  
21 and the potential for reimbursement of attorney fees.

22 The amount of restitution an indigent person reimburses the  
23 state for the expense of the public defender under the bill  
24 shall include all expenses incurred during the representation  
25 of the person combined with the attorney fees calculated at the  
26 hourly rates in Code section 815.7, to the extent the person is  
27 reasonably able to pay. The bill also permits the expense of  
28 the public defender to exceed the fee limitations established  
29 in Code section 13B.4.

LSB 5275SV (2) 84

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jm/rj

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**Senate File 2232 - Introduced**

SENATE FILE 2232  
BY COMMITTEE ON JUDICIARY  
  
(SUCCESSOR TO SSB 3074)

**A BILL FOR**

1 An Act relating to certain multiple driving-related convictions  
2 involving one event or occurrence of driving.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5454SV (3) 84  
jm/rj



**Iowa General Assembly  
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S.F. 2232

1       Section 1. NEW SECTION.   321.561A Multiple offenses  
2 involving one event or occurrence of driving.  
3       The court shall not enter a judgment or deferred judgment  
4 for more than one offense of operating a motor vehicle while  
5 the person's license is suspended under section 321.218,  
6 subsection 1, or operating a motor vehicle while the person's  
7 license is revoked under section 321.218, subsection 1, or any  
8 combination of the aforementioned offenses involving one event  
9 or occurrence of driving.

10	EXPLANATION
----	-------------

11 This bill relates to certain multiple driving-related  
12 convictions for one event or occurrence of driving.

13 Under the bill, the court shall not enter a judgment or  
14 deferred judgment for more than one offense of operating a  
15 motor vehicle while a license is suspended under Code section  
16 321.218, or operating a motor vehicle while a license is  
17 revoked under Code section 321.218, or any combination of  
18 the aforementioned offenses, for one event or occurrence of  
19 driving.

20 A person who operates a motor vehicle while suspended  
21 or revoked under Code section 321.218 commits a simple  
22 misdemeanor.

23 The length of a driver's license suspension or revocation is  
24 established in Code section 321.212.

25 A simple misdemeanor is punishable by confinement for no  
26 more than 30 days or a fine of at least \$65 but not more than  
27 \$625 or by both.



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**Senate File 2233 - Introduced**

SENATE FILE 2233  
BY HOUSER

**A BILL FOR**

1 An Act providing a property tax exemption for land designated  
2 as a preserved wetland.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5492XS (10) 84  
da/sc



Iowa General Assembly  
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S.F. 2233

1 Section 1. Section 427.1, subsection 23, Code Supplement  
2 2011, is amended to read as follows:

3 23. *Native prairie and wetland.* Land designated as native  
4 prairie or land designated as a ~~protected~~ preserved wetland  
5 by the department of natural resources ~~pursuant to section~~  
6 ~~456B.12.~~

7 a. Application for the exemption shall be made on forms  
8 provided by the department of revenue. Land designated as a  
9 ~~protected~~ preserved wetland shall be assessed at a value equal  
10 to the average value of the land where the wetland is located  
11 and which is owned by the person granted the exemption.

12 (1) The application forms shall be filed with the assessing  
13 authority not later than the first of February of the year for  
14 which the exemption is requested. The application must be  
15 accompanied by an affidavit signed by the applicant that if  
16 the exemption is granted, the property land will be used in  
17 compliance with this subparagraph.

18 (a) The land shall not be used for economic gain during  
19 the assessment year in which the exemption is granted. If the  
20 property land is used for economic gain during the assessment  
21 year in which the exemption is granted, the property land shall  
22 lose its tax exemption and shall be taxed at the rate levied  
23 by the county for the fiscal year beginning in that assessment  
24 year.

25 (b) Notwithstanding subparagraph division (a), a preserved  
26 wetland may be used for economic gain that is directly related  
27 to its use as habitat or is from payments made by the federal or  
28 state government related to acquiring, conserving, restoring,  
29 or using wetlands.

30 (2) The first annual application shall be accompanied by a  
31 certificate from the department of natural resources stating  
32 that the land is native prairie or ~~protected~~ preserved wetland.

33 b. The department of natural resources shall issue a  
34 certificate for the native prairie exemption if the department  
35 finds that the land has never been cultivated, is unimproved,

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da/sc

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1 is primarily a mixture of warm season grasses interspersed with  
2 flowering plants, and meets the other criteria established by  
3 the natural resource commission for native prairie.

4 c. The department of natural resources shall issue a  
5 certificate for the wetland exemption if the department finds  
6 the land is a ~~protected~~ preserved wetland, ~~as defined under~~  
7 ~~section 456B.1, or if the.~~

8 (1) Land qualifies as a preserved wetland if it includes  
9 more than two acres and it is any of the following:

10 (a) A protected wetland as defined in section 456B.1,  
11 regardless of whether it is inventoried pursuant to section  
12 456B.12.

13 (b) Classified as a wetland by the natural resource  
14 conservation service of the United States department of  
15 agriculture pursuant to section 7 C.F.R. pt. 12.

16 (c) Inundated or saturated by surface water or subsurface  
17 water at a frequency or duration sufficient to support a  
18 prevalence of hydrophytic vegetation typically adapted for life  
19 in saturated soil conditions.

20 (2) Land qualifies as a preserved wetland even if the land  
21 was previously drained and cropped but has been restored under  
22 a nonpermanent restoration agreement with the department or  
23 other county, state, or federal agency or private conservation  
24 group.

25 d. A taxpayer may seek judicial review of a decision of  
26 the department according to chapter 17A. The natural resource  
27 commission shall adopt rules to implement this subsection.

28 ~~b.~~ e. The assessing authority each year may submit to the  
29 department a claim for reimbursement of tax revenue lost from  
30 the exemption. Upon receipt of the claim, the department shall  
31 reimburse the assessing authority an amount equal to the lost  
32 tax revenue based on the value of ~~the protected~~ a preserved  
33 wetland as assessed by the authority, unless the department  
34 reimburses the authority based upon a departmental assessment  
35 of the ~~protected~~ preserved wetland. The authority may contest

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1 the department's assessment as provided in chapter 17A. The  
2 department is not required to honor a claim submitted more than  
3 sixty days after the authority has assessed land where the  
4 ~~protected~~ preserved wetland is located and which is owned by  
5 the person granted the exemption.

6 EXPLANATION

7 BACKGROUND. There are a number of different types of  
8 property that are not subject to property tax, including land  
9 designated as native prairie or wetland as designated by the  
10 department of natural resources (Code section 427.1(23)(a)).  
11 In order for a wetland to qualify for the tax exemption,  
12 it must be designated as "protected", meaning that it is a  
13 type of wetland described by the United States department of  
14 interior (Code section 456B.1). Such land is inventoried by  
15 the department (Code section 456B.12). The wetland may be  
16 restored. However, it cannot be used for economic gain. The  
17 assessing authority (county) is entitled to be reimbursed  
18 for lost tax revenue due to the exemption (Code section  
19 427.1(23)(b)).

20 BILL'S PROVISIONS. This bill changes the name of qualifying  
21 wetlands to "preserved wetlands" and provides that land  
22 qualifies as a preserved wetland if it includes more than two  
23 acres and is: (1) classified as a protected wetland, (2)  
24 classified as a wetland by the United States natural resource  
25 conservation service, or (3) is inundated or saturated by water  
26 sufficient to support life adapted to wetland conditions. The  
27 bill also provides that the tax exemption applies if the land  
28 is used for economic gain if it is directly related to its use  
29 as a habitat or if it is farm payments.



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**Senate File 2234 - Introduced**

SENATE FILE 2234  
BY HANCOCK

**A BILL FOR**

1 An Act requiring the state fire marshal to reimburse lead  
2 public agencies for regional emergency response training  
3 centers for the costs of operation and maintenance of  
4 certain equipment utilized in the training of volunteer fire  
5 fighters.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5806SS (3) 84  
aw/sc



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S.F. 2234

1 Section 1. Section 100B.22, Code 2011, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 5A. a. A lead public agency listed in  
4 subsection 1, paragraph "a", that serves multiple organized  
5 volunteer fire departments in this state may apply for and  
6 shall receive reimbursement from the state fire marshal for  
7 costs related to the maintenance and operation of mechanical  
8 facility equipment for burn towers utilized in the training  
9 of volunteer fire fighters in the previous year. The state  
10 fire marshal shall reimburse an agency for the percentage of  
11 such costs attributable to the use of such mechanical facility  
12 equipment in the training of volunteer fire fighters.

13 b. The state fire marshal shall prescribe the form of the  
14 application and specify the information to be included and  
15 shall provide such application to each lead public agency on or  
16 before August 15 of each year.

17 c. A lead public agency seeking reimbursement pursuant to  
18 this section shall submit all application materials to the  
19 state fire marshal on or before October 1 of each year. The  
20 state fire marshal shall provide reimbursements to such lead  
21 public agencies on or before November 15 of each year.

22 EXPLANATION

23 This bill requires the state fire marshal to reimburse  
24 regional emergency response training centers for costs related  
25 to the maintenance and operation of mechanical facility  
26 equipment for burn towers utilized in the training of volunteer  
27 fire fighters in the previous year. To be eligible for  
28 reimbursement, the lead public agency of a regional training  
29 center must serve multiple organized volunteer fire departments  
30 in this state.

31 The bill also provides that the state fire marshal shall  
32 prescribe the form of the application for reimbursement  
33 and provide such applications to each lead public agency on  
34 or before August 15 of each year. A lead public agency is  
35 required to submit the application to the state fire marshal by

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S.F. 2234

1 October 1, and the state fire marshal is required to provide  
2 reimbursements by November 15.

3 Current law allows the state fire marshal to adopt  
4 administrative rules to administer Code section 100B.22.



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**Senate File 2235 - Introduced**

SENATE FILE 2235  
BY BOETTGER

**A BILL FOR**

1 An Act relating to high school examinations on the Constitution  
2 of the United States and the Constitution of the State of  
3 Iowa.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5598XS (9) 84  
je/rj



Iowa General Assembly  
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S.F. 2235

1 Section 1. FINDINGS. The general assembly finds all of the  
2 following:

3 1. The purpose of education is to develop a knowledgeable  
4 and well-informed citizenry.

5 2. Education is the foundation upon which a free democratic  
6 society is based.

7 3. Citizens must know the basis of how their government  
8 operates in order to maintain their liberties and rights.

9 Sec. 2. Section 280.9A, Code 2011, is amended by adding the  
10 following new subsection:

11 NEW SUBSECTION. 4. The board of directors of each local  
12 public school district operating a high school and the  
13 authorities in charge of each accredited nonpublic school  
14 operating a high school shall require that prior to the  
15 completion of grade twelve all students pass, as a condition of  
16 graduation, an examination on the Constitution of the United  
17 States and the Constitution of the State of Iowa.

18 Sec. 3. STATE MANDATE FUNDING SPECIFIED. In accordance  
19 with section 25B.2, subsection 3, the state cost of requiring  
20 compliance with any state mandate included in this Act shall  
21 be paid by a school district from state school foundation aid  
22 received by the school district under section 257.16. This  
23 specification of the payment of the state cost shall be deemed  
24 to meet all of the state funding-related requirements of  
25 section 25B.2, subsection 3, and no additional state funding  
26 shall be necessary for the full implementation of this Act  
27 by and enforcement of this Act against all affected school  
28 districts.

29 EXPLANATION

30 This bill requires each student at a public or nonpublic  
31 high school, as a condition of graduation, to pass prior to the  
32 completion of grade 12 an examination on the Constitution of  
33 the United States and the Constitution of the State of Iowa.

34 The bill may include a state mandate as defined in Code  
35 section 25B.3. The bill requires that the state cost of

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1 any state mandate included in the bill be paid by a school  
2 district from state school foundation aid received by the  
3 school district under Code section 257.16. The specification  
4 is deemed to constitute state compliance with any state mandate  
5 funding-related requirements of Code section 25B.2. The  
6 inclusion of this specification is intended to reinstate the  
7 requirement of political subdivisions to comply with any state  
8 mandates included in the bill.



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**Senate Joint Resolution 2003 - Introduced**

SENATE JOINT RESOLUTION 2003  
BY JOHNSON, HANCOCK, WILHELM,  
HATCH, HORN, DEARDEN,  
FRAISE, COURTNEY, GRONSTAL,  
KIBBIE, BEALL, SODDERS,  
SCHOENJAHN, RAGAN, MATHIS,  
JOCHUM, BOWMAN, DANIELSON,  
DOTZLER, HOGG, KAPUCIAN,  
ZAUN, CHELGREN, WARD,  
WHITVER, SEYMOUR, HOUSER,  
McKINLEY, BEHN, SORENSON,  
ANDERSON, BERTRAND,  
KETTERING, HAHN, BOETTGER,  
BACON, ERNST, SMITH, DIX,  
HAMERLINCK, and FEENSTRA

**SENATE JOINT RESOLUTION**

1 A Joint Resolution relating to the designation of the  
2 department of public safety building as the Oran Pape State  
3 Office Building.  
4 WHEREAS, it has become accepted procedure to name state  
5 office buildings in the Capitol Complex in honor of persons  
6 significant in Iowa's history and heritage; and  
7 WHEREAS, the state office building located at 215 East  
8 Seventh Street, which houses the Department of Public  
9 Safety, has not been named since the reconstruction of the  
10 building; and  
11 WHEREAS, the building that houses the Department of Public  
12 Safety should be named for a person who reflects the service,  
13 commitment, and sacrifice of all those who have provided public  
14 safety and criminal justice services in the department; and  
15 WHEREAS, Oran Pape was appointed to the newly formed Iowa  
16 Highway Patrol in August 1935, one of the "Original 50"  
17 patrolmen to serve in the Patrol; and  
18 WHEREAS, Oran Pape was issued badge number 40 as a member of  
19 the Patrol and assigned to eastern Iowa; and

TLSB 5030XS (5) 84  
ec/rj





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**Senate Joint Resolution 2003 - Introduced**

20 WHEREAS, on April 29, 1936, while patrolling U.S. Highway 61  
21 near Muscatine, Iowa, Oran Pape noticed a car he believed to  
22 have been stolen and had the vehicle stopped; and  
23 WHEREAS, when Oran Pape approached the stopped car, the  
24 driver pointed a gun at Pape, ordered him into the car, and  
25 began to drive away; and  
26 WHEREAS, while in the vehicle, Oran Pape grabbed for the gun  
27 of the driver and after a brief struggle, two shots went off,  
28 killing the driver and severely wounding Oran Pape; and  
29 WHEREAS, on April 30, 1936, Oran Pape died as a result of  
30 his gunshot injuries, the first member of the Patrol to be  
31 killed in the line of duty and the only officer to have been  
32 murdered; NOW THEREFORE,  
33 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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ec/rj



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S.J.R. 2003

1 That the state office building located at 215 East Seventh  
2 Street, which houses the Department of Public Safety, be named  
3 the Oran Pape State Office Building in honor of Oran Pape; and  
4 that an appropriate commemorative plaque be placed near the  
5 entrance of the Oran Pape State Office Building in recognition  
6 of Oran Pape and his sacrifice as a member of the Iowa State  
7 Patrol.

8 EXPLANATION

9 This joint resolution names the office building, located at  
10 215 East Seventh Street and housing the Department of Public  
11 Safety, the Oran Pape State Office Building. The resolution,  
12 subject to the governor's approval, recognizes the sacrifice  
13 Oran Pape made as the first member of the Iowa State Patrol to  
14 be killed in the line of duty.



Iowa General Assembly  
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Senate Resolution 108 - Introduced

SENATE RESOLUTION NO. 108

BY QUIRMBACH

1 A Resolution recognizing Dr. Dan Shechtman of the Iowa  
2 State University College of Engineering, the United  
3 States Department of Energy's Ames Laboratory, and  
4 Technion-Israel Institute of Technology on his  
5 receipt of the 2011 Nobel Prize in Chemistry.  
6 WHEREAS, Dr. Shechtman serves as a professor  
7 of materials science and engineering at Iowa State  
8 University; research scientist at the United  
9 States Department of Energy's Ames Laboratory; and  
10 distinguished professor at Technion-Israel Institute of  
11 Technology in Haifa, Israel; and  
12 WHEREAS, on the morning of April 8, 1982, Dr.  
13 Shechtman discovered the existence of quasicrystals, a  
14 new atomic structure for solid materials; and  
15 WHEREAS, this structure was previously thought  
16 to be impossible by the scientific and engineering  
17 community; and  
18 WHEREAS, Dr. Shechtman endured significant  
19 skepticism and criticism from professional peers but  
20 stood firm in his convictions and in the accuracy and  
21 import of this discovery; and  
22 WHEREAS, Dr. Shechtman's findings were independently  
23 confirmed by other researchers around the world,  
24 including scientists at the United States Department of  
25 Energy's Ames Laboratory and Iowa State University; and  
26 WHEREAS, the discovery of quasicrystals resulted in  
27 textbooks being rewritten; and  
28 WHEREAS, the discovery of quasicrystals has

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1 increased knowledge and the fundamental understanding  
2 of solid materials; and

3 WHEREAS, in 2004, Dr. Shechtman joined Iowa State  
4 University as a professor of materials science and  
5 engineering in the College of Engineering and the  
6 United States Department of Energy's Ames Laboratory,  
7 as a research scientist; and

8 WHEREAS, he continues to teach students and conduct  
9 research in Iowa; and

10 WHEREAS, in recognition of his groundbreaking  
11 scientific achievements, the Royal Swedish Academy of  
12 Sciences awarded Dr. Shechtman the 2011 Nobel Prize in  
13 Chemistry; NOW THEREFORE,

14 BE IT RESOLVED BY THE SENATE, That the Senate honors  
15 Dr. Dan Shechtman for his groundbreaking discovery of  
16 quasicrystals, his perseverance, and his contributions  
17 to teaching and research at Iowa State University and  
18 the Ames Laboratory, which culminated in his receipt of  
19 the 2011 Nobel Prize in Chemistry.

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jr/nh

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**Senate Study Bill 3171 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON EDUCATION BILL BY  
CHAIRPERSON QUIRMBACH)

**A BILL FOR**

1 An Act relating to programs and activities under the purview of  
2 the department of education, the state board of education,  
3 the board of educational examiners, the state board of  
4 regents, school districts, and accredited nonpublic schools;  
5 and providing for the retention of certain fees and for the  
6 use of certain funds.  
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6053XC (25) 84  
kh/rj



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S.F. \_\_\_\_\_

1 DIVISION I

2 COMPETENCY-BASED INSTRUCTION

3 Section 1. Section 256.7, subsection 26, paragraph a,  
4 Code Supplement 2011, is amended by adding the following new  
5 subparagraph:

6 NEW SUBPARAGRAPH. (02) The rules shall allow a school  
7 district or accredited nonpublic school to award high school  
8 credit to a student upon the demonstration of required  
9 competencies for a course or content area, as approved by  
10 an appropriately licensed teacher. The school district or  
11 accredited nonpublic school shall determine the assessment  
12 methods by which a student demonstrates sufficient evidence of  
13 the required competencies.

14 Sec. 2. Section 256.11, subsection 5, unnumbered paragraph  
15 1, Code 2011, is amended to read as follows:

16 ~~In grades nine through twelve, a unit of credit consists~~  
17 ~~of a course or equivalent related components or partial units~~  
18 ~~taught throughout the academic year.~~ The minimum program to be  
19 offered and taught for grades nine through twelve is:

20 Sec. 3. Section 256.11, Code 2011, is amended by adding the  
21 following new subsection:

22 NEW SUBSECTION. 5A. a. As used in subsection 5, "unit"  
23 means a course which meets one of the following criteria:

24 (1) The course is taught for at least two hundred minutes  
25 per week for thirty-six weeks.

26 (2) The course is taught for the equivalent of one hundred  
27 twenty hours of instruction.

28 b. A student shall receive a unit of credit or a partial  
29 unit of credit upon successful completion of a course  
30 which meets one of the criteria in paragraph "a" or related  
31 components equivalent to a course which meets one of the  
32 criteria in paragraph "a". A partial unit of credit shall be  
33 calculated in a manner consistent with this subsection. A  
34 student may receive credit on a performance basis through the  
35 administration of an assessment, provided the assessment covers

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1 the competencies ordinarily included in the regular course.

2 DIVISION II

3 CORE CURRICULUM FRAMEWORK AND CORE CONTENT STANDARDS

4 Sec. 4. Section 256.7, subsection 26, paragraph a, Code  
5 Supplement 2011, is amended to read as follows:

6 a. Adopt rules that establish a core curriculum and high  
7 school graduation requirements for all students in school  
8 districts and accredited nonpublic schools that include at a  
9 minimum satisfactory completion of four years of English and  
10 language arts, three years of mathematics, three years of  
11 science, and three years of social studies.

12 (1) The rules establishing high school graduation  
13 requirements shall authorize a school district or  
14 accredited nonpublic school to consider that any student who  
15 satisfactorily completes a high school-level unit of ~~English~~  
16 ~~or language arts, mathematics, science, or social studies~~ has  
17 satisfactorily completed a unit of the high school graduation  
18 requirements for that area as specified in this ~~lettered~~  
19 paragraph "a", and shall authorize the school district or  
20 accredited nonpublic school to issue high school credit for the  
21 unit to the student.

22 (2) The rules establishing a core curriculum shall address  
23 the core content standards in subsection 28 and the skills and  
24 knowledge students need to be successful in the twenty-first  
25 century. ~~The core curriculum shall include, including but not~~  
26 limited to English and language arts, mathematics, science,  
27 social studies and twenty-first century learning skills which  
28 include but are not limited to, music and other fine arts,  
29 applied arts, foreign languages, physical education, character  
30 education, entrepreneurship education, civic literacy,  
31 health literacy, technology literacy, financial literacy, and  
32 employability skills; and shall address the curricular needs of  
33 students in kindergarten through grade twelve in those areas.  
34 The department shall further define the twenty-first century  
35 learning skills components by rule.



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S.F. \_\_\_\_\_

1     Sec. 5. Section 256.9, subsection 53, Code Supplement 2011,  
2 is amended to read as follows:  
3     53. a. Develop and distribute, in collaboration with the  
4 area education agencies, core curriculum technical assistance  
5 and implementation strategies that school districts and  
6 accredited nonpublic schools shall utilize, including but  
7 not limited to the development and delivery of formative and  
8 end-of-course model assessments classroom teachers may use  
9 to measure student progress on the core curriculum adopted  
10 pursuant to section 256.7, subsection 26. ~~The department~~  
11 ~~shall, in collaboration with the advisory group convened in~~  
12 ~~accordance with paragraph "b" and educational assessment~~  
13 ~~providers, identify and make available to school districts~~  
14 ~~end-of-course and additional model end-of-course and additional~~  
15 ~~assessments to align with the expectations included in the Iowa~~  
16 ~~core curriculum.~~ The model assessments shall be suitable to  
17 meet the multiple assessment measures requirement specified in  
18 section 256.7, subsection 21, paragraph "c".  
19     b. Convene an a core curriculum framework and core content  
20 standards advisory group comprised council.  
21     (1) The council shall be comprised of education  
22 stakeholders including but not limited to school district and  
23 accredited nonpublic school teachers, school administrators,  
24 higher education faculty who teach in the subjects for which  
25 the curriculum is being adopted, private sector employers,  
26 members of the boards of directors of school districts, and  
27 individuals representing the educational assessment providers,  
28 and four ex officio, nonvoting members of the general assembly.  
29 The members of the general assembly shall be appointed  
30 as follows: one representative shall be appointed by the  
31 speaker of the house of representatives, one representative  
32 shall be appointed by the minority leader of the house of  
33 representatives, one senator shall be appointed by the majority  
34 leader of the senate after consultation with the president of  
35 the senate, and one senator shall be appointed by the minority





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1 leader of the senate. The council shall elect a chairperson  
2 from among its members and adopt rules of procedure. The  
3 members of the council shall serve without compensation, but  
4 may be reimbursed for actual expenses incurred in carrying out  
5 their duties. The department shall provide staff support to  
6 the council.

7 (2) The ~~task force~~ advisory council shall review the  
8 national assessment of educational progress standards and  
9 assessments used by other states, and shall consider standards  
10 identified as best practices in the field of study by the  
11 ~~national councils of teachers of English and mathematics,~~  
12 ~~the national council for the social studies, the national~~  
13 ~~science teachers association~~ nationally recognized entities  
14 representing teachers of core curriculum subject areas, and  
15 other recognized experts; and shall review the core curriculum  
16 and core content standards adopted pursuant to section 256.7,  
17 subsections 26 and 28. In making recommendations, the advisory  
18 council's goal shall be to increase student achievement and  
19 academic growth under the core curriculum and core content  
20 standards and to achieve or identify measures to achieve any  
21 related objectives established in law. The advisory council  
22 shall submit its findings and recommendations annually in a  
23 report to the general assembly by November 1.

24 Sec. 6. Section 256.9, subsection 54, Code Supplement 2011,  
25 is amended by striking the subsection.

26 DIVISION III

27 REGIONAL PARENT ADVOCACY NETWORKS

28 Sec. 7. Section 273.2, Code Supplement 2011, is amended by  
29 adding the following new subsection:

30 NEW SUBSECTION. 10. a. The area education agency board  
31 shall establish a regional parent advocacy network to create  
32 an integrated, accessible set of community-wide resources to  
33 support learning and development by July 1, 2013. A regional  
34 parent advocacy network shall include at least one parent  
35 representative from each school district in the area. The area



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1 education agency administrator shall coordinate efforts with  
2 the board of directors of each school district to facilitate  
3 the establishment and maintenance of the regional parent  
4 advocacy network.

5     **b.** In addition to any other responsibilities, a regional  
6 parent advocacy network shall develop a plan for better  
7 coordination between area education agencies, school districts,  
8 and parents regarding children's mental health services.

9     Sec. 8. NEW SECTION. 279.68 Regional parent advocacy  
10 network.

11     1. The board of directors of each school district shall  
12 coordinate with the area education agency administrator to  
13 facilitate the establishment and maintenance of a regional  
14 parent advocacy network pursuant to section 273.2, subsection  
15 10. The board of directors of each school district, in  
16 coordination with the area education agency administrator,  
17 shall select at least one parent representative from the school  
18 district to serve on the regional parent advocacy network.  
19 Parent representatives shall be reflective of the student  
20 population in the school district.

21     2. If the board of directors of a school district selects  
22 more than one parent representative to serve on the regional  
23 parent advocacy network, the board shall select a number of  
24 parent representatives such that each parent representative  
25 represents six hundred fifty students, or as close to that  
26 number as is feasible.

27                                   DIVISION IV

28                   TEACHER AND ADMINISTRATOR MATTERS

29     Sec. 9. Section 256.7, Code Supplement 2011, is amended by  
30 adding the following new subsection:

31     NEW SUBSECTION. 31. Adopt rules establishing a statewide  
32 teacher evaluation system and a statewide administrator  
33 evaluations system in accordance with section 256.9, subsection  
34 64.

35     Sec. 10. Section 256.9, Code Supplement 2011, is amended by

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1 adding the following new subsection:

2 NEW SUBSECTION. 64. a. Develop a statewide teacher  
3 evaluation system and a statewide administrator evaluation  
4 system that school districts, charter schools, and accredited  
5 nonpublic schools shall use to standardize the instruments  
6 and processes used to evaluate teachers and administrators  
7 throughout the state.

8 b. The components of the statewide teacher evaluation system  
9 shall include but not be limited to the following:

10 (1) Direct observation of classroom teaching behaviors.

11 (2) Balanced consideration of student growth measures, when  
12 available for tested subjects and grades, to validate direct  
13 observation of classroom teaching behaviors.

14 (3) Integration of the Iowa teaching standards.

15 (4) System applicability to teachers in all content areas  
16 taught in a school.

17 Sec. 11. Section 284.4, subsection 1, paragraph c,  
18 unnumbered paragraph 1, Code 2011, is amended to read as  
19 follows:

20 Create a teacher quality committee. The committee shall  
21 meet quarterly and have equal representation of administrators  
22 and teachers. The teacher members shall be appointed by  
23 the certified employee organization if one exists, and if  
24 not, by the school district's or agency's administration.  
25 The administrator members shall be appointed by the school  
26 board. However, if a school district can demonstrate that  
27 an existing professional development, curriculum, or student  
28 improvement committee has significant stakeholder involvement  
29 and a leadership role in the school district, the appointing  
30 authorities may mutually agree to assign to the existing  
31 committee the responsibilities set forth in this paragraph "c",  
32 to appoint members of the existing committee to the teacher  
33 quality committee, or to authorize the existing committee to  
34 serve in an advisory capacity to the teacher quality committee.  
35 The committee shall do all of the following:

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1 Sec. 12. Section 284.4, subsection 1, paragraph c, Code  
2 2011, is amended by adding the following new subparagraph:  
3 NEW SUBPARAGRAPH. (6) Provide leadership in the  
4 development and adoption of professional development plans and  
5 activities, and engage in leading knowledgeable and responsive  
6 professional development for the school district or area  
7 education agency.

8 Sec. 13. Section 284.6, subsection 1, unnumbered paragraph  
9 1, Code Supplement 2011, is amended to read as follows:

10 The department shall coordinate a statewide network of  
11 professional development for Iowa teachers which collaborates  
12 with teacher quality committees created pursuant to section  
13 284.4, subsection 1, and annually provides the committees with  
14 best practices in professional development that address unique  
15 local needs. A school district or professional development  
16 provider that offers a professional development program in  
17 accordance with section 256.9, subsection 46, shall demonstrate  
18 that the program contains the following:

19 Sec. 14. Section 284.6, subsection 8, Code Supplement 2011,  
20 is amended to read as follows:

21 8. For each year in which a school district receives funds  
22 calculated and paid to school districts for professional  
23 development pursuant to section 257.10, subsection 10, or  
24 section 257.37A, subsection 2, the school district shall  
25 create quality professional development opportunities. Not  
26 less than two hours per instructional week shall be set aside  
27 to allow educators to collaborate with each other to deliver  
28 educational programs and assess student learning. The goal  
29 for the use of the funds is to provide one additional contract  
30 day or the equivalent thereof for professional development  
31 and use of the funds is limited to providing professional  
32 development to teachers, including additional salaries for time  
33 beyond the normal negotiated agreement; pay for substitute  
34 teachers, professional development materials, speakers, and  
35 professional development content; and costs associated with



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1 implementing the individual professional development plans.  
2 The use of the funds shall be balanced between school district,  
3 attendance center, and individual professional development  
4 plans, making every reasonable effort to provide equal access  
5 to all teachers.

6 Sec. 15. Section 284.8, subsections 1 and 2, Code 2011, are  
7 amended to read as follows:

8 1. A school district shall provide for an annual  
9 review a of each teacher's performance at least once every  
10 three years for purposes of assisting teachers in making  
11 continuous improvement, documenting continued competence in  
12 the Iowa teaching standards, identifying teachers in need of  
13 improvement, or to determine whether the teacher's practice  
14 meets school district expectations for career advancement in  
15 accordance with section 284.7. The review shall include, at  
16 minimum, classroom observation of the teacher, the teacher's  
17 progress, and implementation of the teacher's individual  
18 professional development plan, subject to the level of  
19 resources provided to implement the plan; and shall include  
20 supporting documentation from parents, students, and other  
21 teachers. The first and second year of review shall be  
22 conducted by a peer group of teachers. The peer group shall  
23 review all of the peer group members. Peer group reviews  
24 shall be formative and shall be conducted on an informal,  
25 collaborative basis that is focused on assisting each peer  
26 group member in achieving the goals of the teacher's individual  
27 professional development plan. Peer group reviews shall not  
28 be the basis for recommending that a teacher participate in  
29 an intensive assistance program, and shall not be used to  
30 determine the compensation, promotion, layoff, or termination  
31 of a teacher, or any other determination affecting a teacher's  
32 employment status. Members of the peer group shall be reviewed  
33 every third year by at least one evaluator certified in  
34 accordance with section 284.10.

35 2. If a supervisor or, as a result of a third-year review



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1 conducted by an evaluator certified in accordance with section  
2 284.10 an evaluator determines, at any time, as a result of  
3 a teacher's performance that the a teacher is not meeting  
4 district expectations under the Iowa teaching standards  
5 specified in section 284.3, subsection 1, paragraphs "a"  
6 through "h", the criteria for the Iowa teaching standards  
7 developed by the department in accordance with section 256.9,  
8 subsection 46, and any other standards or criteria established  
9 in the collective bargaining agreement, the evaluator shall,  
10 at the direction of the teacher's supervisor, recommend to  
11 the district that the teacher participate in an intensive  
12 assistance program. The intensive assistance program and  
13 its implementation are subject to negotiation and grievance  
14 procedures established pursuant to chapter 20. All school  
15 districts shall be prepared to offer an intensive assistance  
16 program.

17 Sec. 16. Section 284A.7, Code 2011, is amended to read as  
18 follows:

19 **284A.7 Evaluation requirements for administrators.**

20 1. A school district shall conduct an annual evaluation  
21 of an administrator who holds a professional administrator  
22 license issued under chapter 272 ~~at least once every three~~  
23 ~~years~~ for purposes of assisting the administrator in making  
24 continuous improvement, documenting continued competence in  
25 the Iowa standards for school administrators adopted pursuant  
26 to section 256.7, subsection 27, or to determine whether the  
27 administrator's practice meets school district expectations.  
28 The ~~review~~ evaluation shall include, at a minimum, an  
29 assessment of the administrator's competence in meeting the  
30 Iowa standards for school administrators and the goals of the  
31 administrator's individual professional development plan,  
32 including supporting documentation or artifacts aligned to the  
33 Iowa standards for school administrators and the individual  
34 administrator's professional development plan.

35 2. A school district shall adopt the statewide



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1 administrator evaluation system developed pursuant to section  
2 256.9, subsection 64. However, a school district may develop  
3 and submit to the department for approval an alternative  
4 administrator evaluation system that meets local and state  
5 educational goals. In lieu of the statewide administrator  
6 evaluation system, the school district may adopt and implement  
7 the alternative administrator evaluation system upon receiving  
8 approval from the department.

9     Sec. 17. STATEWIDE EDUCATOR EVALUATION SYSTEM TASK  
10 FORCE. The director of the department of education shall  
11 appoint, and provide staffing services for, a task force to  
12 conduct a study regarding a statewide teacher evaluation  
13 system and a statewide administrator evaluation system. The  
14 study of a statewide teacher evaluation system shall include  
15 a review of student growth measures described in section  
16 256.9, subsection 64, paragraph "b", subparagraph (2), as  
17 enacted in this division of this Act. To the extent possible,  
18 appointments shall be made to provide geographical area  
19 representation and to comply with sections 69.16, 69.16A, and  
20 69.16C. The task force, at a minimum, shall include in its  
21 recommendations and proposal a tiered evaluation system that  
22 differentiates ineffective, minimally effective, effective, and  
23 highly effective performance by teachers and administrators.  
24 The task force shall submit its findings, recommendations, and  
25 a proposal for each system to the state board of education by  
26 October 15, 2012.

27     Sec. 18. ADMINISTRATOR PREPARATION AND LICENSURE REVIEW  
28 TASK FORCE.

29     1. The department of education, in collaboration with  
30 the board of educational examiners and the postsecondary  
31 institutions with approved administrator preparation programs  
32 located in this state, shall convene a task force to identify  
33 and recommend measures to improve Iowa's administrator  
34 preparation and licensure practices. The task force shall also  
35 do the following:

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1 a. Identify measures to increase the quality of the  
2 administrator mentoring and induction experience, determine  
3 the best practices that establish principals as instructional  
4 leaders, including but not limited to defining and promoting  
5 high expectations of teachers, elimination of teacher isolation  
6 and fragmented effort, and measures that create connections  
7 with teachers and classrooms.

8 b. Determine a timeline and identify barriers to  
9 incorporating into the requirements for administrator  
10 preparation program approval the following research-based  
11 practices that promote student achievement:

12 (1) Shaping a vision of academic success for all students  
13 based on high standards.

14 (2) Creating a climate hospitable to education in order that  
15 safety, a cooperative spirit, and other foundations of fruitful  
16 interaction prevail.

17 (3) Cultivating leadership in others so that teachers and  
18 other adults assume their part in realizing the school vision.

19 (4) Improving instruction to enable teachers to teach at  
20 their best and students to learn at their utmost.

21 (5) Managing people, data, and processes to foster school  
22 improvement.

23 c. Identify the necessary components of separate  
24 license and endorsement requirements for principals at the  
25 prekindergarten through grade six level and at the grade seven  
26 through twelve level.

27 d. Identify the components necessary for new endorsements  
28 relating to the following specialty areas:

29 (1) School turn-around.

30 (2) Closing achievement gaps through leadership.

31 (3) High-poverty, at-risk populations.

32 2. The task force shall consist of teachers,  
33 administrators, and representatives of the department  
34 of education, the board of educational examiners, school  
35 administrators of Iowa, and approved practitioner preparation

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1 institutions. The department, the board, and the postsecondary  
2 institutions with approved administrator preparation programs  
3 located in this state may mutually agree to appoint other  
4 education stakeholders as task force members.

5 3. The task force shall meet quarterly and shall submit  
6 its findings and recommendations, including recommendations  
7 for changes to the Iowa Code as appropriate, to the general  
8 assembly by November 15, 2013.

9 Sec. 19. REPEAL. Section 284.14A, Code 2011, is repealed.

10 Sec. 20. IOWA TEACHING STANDARDS AND CRITERIA REVIEW TASK  
11 FORCE.

12 1. The department of education shall convene a task force to  
13 identify and recommend measures to improve the Iowa teaching  
14 standards and criteria, and the educator evaluations conducted  
15 based on the Iowa teaching standards.

16 2. The task force shall consist of teachers,  
17 administrators, and representatives of the department of  
18 education, the board of educational examiners, an organization  
19 representing teachers, and any other appropriate educational  
20 stakeholders.

21 3. The task force shall submit its findings and  
22 recommendations, including recommendations for changes to the  
23 Iowa Code as appropriate, to the general assembly by November  
24 15, 2012.

25 Sec. 21. TEACHING AND ADMINISTRATION STANDARDS REPORT. By  
26 January 1, 2013, the state board of education shall submit a  
27 report to the general assembly recommending Iowa teaching and  
28 administration standards that are aligned with best practices  
29 and nationally accepted standards. The report shall include  
30 recommendations for changes to the Code Iowa as appropriate.

31 DIVISION V

32 TOBACCO PROHIBITED ON SCHOOL GROUNDS

33 Sec. 22. Section 279.9, Code 2011, is amended to read as  
34 follows:

35 **279.9 Use of tobacco, alcoholic beverages, or controlled**

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1 substances.

2 1. ~~The rules shall prohibit the use of tobacco, including~~  
3 nicotine products, and the use or possession of alcoholic  
4 liquor, wine, or beer or any controlled substance as defined in  
5 section 124.101, subsection 5, by any student ~~of the schools,~~  
6 ~~and the~~ or by anyone on school grounds, is prohibited. A  
7 school board may suspend or expel a student for a violation of  
8 ~~a rule under this section. For violation of this section a~~  
9 school board may remove a person from school grounds and may  
10 bar the person's future presence on school grounds.

11 2. As used in this section, "nicotine product" means any  
12 product containing nicotine or any other preparation of tobacco  
13 not described in section 453A.1, and any product or formulation  
14 of matter containing biologically active amounts of nicotine  
15 that is manufactured, sold, offered for sale, or otherwise  
16 distributed with the expectation that the product or matter  
17 will be introduced into the human body. "Nicotine product" does  
18 not include any cessation product specifically approved by the  
19 United States food and drug administration for use in reducing,  
20 treating, or eliminating nicotine or tobacco dependence.

21 DIVISION VI

22 ONLINE LEARNING

23 Sec. 23. Section 256.7, subsections 7, 8, and 9, Code  
24 Supplement 2011, are amended to read as follows:

25 7. Adopt rules under chapter 17A for the use of  
26 telecommunications as an instructional tool and for educational  
27 instruction and content delivery primarily over the internet  
28 for students enrolled in kindergarten through grade twelve  
29 and served by local school districts, accredited or approved  
30 nonpublic schools, area education agencies, community  
31 colleges, institutions of higher education under the state  
32 board of regents, and independent colleges and universities  
33 in elementary and secondary school classes and courses. The  
34 rules shall include but need not be limited to rules relating  
35 to programs, rigorous alignment of all coursework to the core

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1 curriculum and core content standards, educational policy,  
2 instructional practices, staff development, use of pilot  
3 projects, curriculum monitoring, and the accessibility of  
4 licensed teachers.

5     a. When curriculum is provided by means of  
6 telecommunications or delivered over the internet, it shall be  
7 taught by or under the supervision of an appropriately licensed  
8 teacher. ~~The~~ When provided by means of telecommunications, the  
9 teacher shall either be present in the classroom, or be present  
10 at the location at which the curriculum delivered by means of  
11 telecommunications originates.

12     b. The rules shall provide that when the curriculum is  
13 taught by an appropriately licensed teacher at the location  
14 at which the telecommunications originates, the curriculum  
15 received at a remote site shall be under the supervision of a  
16 licensed teacher. The licensed teacher at the originating site  
17 may provide supervision of students at a remote site or the  
18 school district in which the remote site is located may provide  
19 for supervision at the remote site if the school district deems  
20 it necessary or if requested to do so by the licensed teacher  
21 at the originating site.

22     c. For the purposes of this subsection, "supervision" means  
23 that the curriculum is monitored by a licensed teacher and the  
24 teacher is accessible to the students receiving the curriculum  
25 by means of telecommunications or delivery over the internet.

26     ~~c.~~ d. The state board shall establish an advisory  
27 committee to make recommendations for rules required under this  
28 subsection on the use of telecommunications as an instructional  
29 tool and for educational instruction and content delivery  
30 primarily over the internet. The committee shall be composed  
31 of representatives from community colleges, area education  
32 agencies, accredited or approved nonpublic schools, and  
33 local school districts from various enrollment categories.  
34 The representatives shall include board members, school  
35 administrators, teachers, parents, students, and associations

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1 interested in education.

2 ~~d.~~ e. For the purpose of the rules adopted by the state  
3 board, telecommunications means narrowcast communications  
4 through systems that are directed toward a narrowly defined  
5 audience and includes interactive live communications, and  
6 coursework delivered over the internet may also be referred to  
7 as online learning.

8 8. Rules adopted under this section shall provide ~~that the~~ the  
9 following:

10 a. That telecommunications and delivery of curriculum over  
11 the internet shall not be used by school districts as the  
12 exclusive means to provide any course which is required by the  
13 minimum educational standards for accreditation, or to enroll  
14 students under section 282.18 if more than twenty percent of  
15 the student's coursework is delivered over the internet.

16 b. That not more than fifty percent of a student's  
17 coursework may be delivered over the internet. However, an  
18 administrator, school board, teacher of record or teacher of a  
19 subject may waive this requirement with the written consent of  
20 the enrolled student's parent or guardian. A school district  
21 shall report to the department annually the number and unique  
22 student identifiers of students who complete more than fifty  
23 percent of their coursework online. The department shall  
24 review the report to determine whether such students shall  
25 be counted by the school district for state foundation aid  
26 purposes under section 257.6, subsection 1, paragraph "a",  
27 subparagraph (5).

28 c. That a school district implementing an online learning  
29 curriculum at its discretion may offer courses developed by  
30 private providers. However, such courses shall meet the  
31 requirements of this subsection and subsections 7 and 9.

32 9. Develop evaluation procedures that will measure  
33 the effects of instruction by means of telecommunications  
34 or delivered over the internet on student achievement,  
35 socialization, intellectual growth, motivation, and other



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1 related factors deemed relevant by the state board, for the  
2 development of an educational database. The state board shall  
3 consult with the state board of regents and the practitioner  
4 preparation departments at its institutions, other practitioner  
5 preparation departments located within private colleges and  
6 universities, educational research agencies or facilities,  
7 and other agencies deemed appropriate by the state board, in  
8 developing these procedures.

9 Sec. 24. Section 256.9, Code Supplement 2011, is amended by  
10 adding the following new subsection:

11 NEW SUBSECTION. 65. Develop and establish an online  
12 learning program model that meets the requirements of section  
13 256.7, subsections 7, 8, and 9, prepares teachers to meet the  
14 needs of students in an online environment, including but not  
15 limited to building community, developing tone and voice,  
16 strategies for working with virtual student, and assessing  
17 virtual students.

18 Sec. 25. NEW SECTION. 256.24 Iowa learning online  
19 initiative.

20 1. An Iowa learning online initiative is established  
21 within the department of education to partner with school  
22 districts to provide distance education to high school students  
23 statewide. The department shall leverage a variety of content  
24 repositories, including those maintained by the area education  
25 agencies and the public broadcasting division, in administering  
26 the initiative.

27 2. Coursework offered under the initiative shall  
28 meet the requirements of section 256.7, subsections  
29 7, 8, and 9, and shall be taught by an appropriately  
30 licensed teacher who has completed an online-learning  
31 -for-Iowa-educators-professional-development project offered  
32 by area education agencies, a teacher preservice program, or  
33 comparable coursework.

34 3. Under the initiative, students must be enrolled in  
35 a participating school district, which is responsible for



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1 recording grades received for initiative coursework in a  
2 student's permanent record, awarding high school credit for  
3 initiative coursework, and issuing high school diplomas to  
4 students enrolled in the district who participate and complete  
5 coursework under the initiative. Each participating school  
6 shall identify a site coordinator to serve as a student  
7 advocate and as a liaison between the initiative staff and  
8 teachers and the school district.

9 4. Coursework offered under the initiative shall be  
10 rigorous and high quality, and the department shall annually  
11 evaluate the quality of the courses, ensure that coursework  
12 is aligned with the state's core curriculum and core content  
13 requirements and standards, as well as national standards  
14 of quality for online courses issued by an internationally  
15 recognized association for kindergarten through grade twelve  
16 online learning.

17 5. The department shall make every reasonable effort to  
18 expand statewide student participation in the Iowa learning  
19 online initiative to at least five thousand students annually.

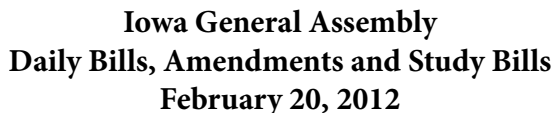
20 Sec. 26. Section 256.33, subsection 3, Code 2011, is amended  
21 to read as follows:

22 3. Priority shall be given to programs integrating  
23 ~~telecommunications~~ educational technology into the classroom.  
24 The department may award grants to school corporations and  
25 higher education institutions to perform the functions listed  
26 in this section.

27 Sec. 27. Section 279.47, Code 2011, is amended to read as  
28 follows:

29 **279.47 Telecommunications and internet delivery —**  
30 **participation by school districts in database development.**

31 The board of directors of each school district ~~utilizing~~  
32 ~~telecommunications as an instructional tool~~ providing  
33 instruction by means of telecommunications or delivered over  
34 the internet shall participate in procedures adopted by the  
35 state board of education under section 256.7, subsection 9.



DIVISION VII

BOARD OF EDUCATIONAL EXAMINERS PROVISIONS

Sec. 28. Section 272.5, Code 2011, is amended to read as follows:

**272.5 Compensation of board, — executive director.**

1. Members shall be reimbursed for actual and necessary expenses incurred while engaged in their official duties and may be entitled to per diem compensation as authorized under section 7E.6. For duties performed during an ordinary school day by a member who is employed by a school corporation or state university, the member shall also receive regular compensation from the school or university. However, the member shall reimburse the school or university in the amount of the per diem compensation received.

2. The governor shall appoint an executive director of the board of educational examiners subject to confirmation by the senate. The director shall possess a background in education licensure and administrative experience and shall serve at the pleasure of the governor. The board of educational examiners shall set the salary of the executive director within the range established for the position by the general assembly.

Sec. 29. Section 272.25, subsection 1, Code 2011, is amended to read as follows:

1. A requirement that each student admitted to an approved practitioner preparation program must participate in field experiences that include both observation and participation in teaching activities in a variety of school settings. These field experiences shall comprise a total of at least fifty hours in duration, at least ten hours of which shall occur prior to a student's acceptance in an approved practitioner preparation program. The student teaching experience shall be a minimum of ~~twelve~~ fourteen weeks in duration during the student's final year of the practitioner preparation program. The program must make every reasonable effort to offer the student teaching experience prior to a student's last semester,



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1 or equivalent, in the program, and to expand the student's  
2 student teaching opportunities beyond one semester or the  
3 equivalent.

4 DIVISION VIII

5 SCHOOL ADMINISTRATION MANAGER

6 Sec. 30. Section 256.7, subsection 30, Code Supplement  
7 2011, is amended to read as follows:

8 30. Set standards and procedures for the approval of  
9 training programs for individuals who seek an authorization  
10 ~~issued by the board of educational examiners under section~~  
11 256.117 for employment the following:

12 a. Employment as a school business official responsible for  
13 the financial operations of a school district.

14 b. Employment as a school administration manager responsible  
15 for assisting a school principal in performing noninstructional  
16 duties.

17 Sec. 31. Section 272.31, Code 2011, is amended by adding the  
18 following new subsection:

19 NEW SUBSECTION. 2A. The board shall issue a school  
20 administration manager authorization to an individual who  
21 successfully completes a training program that meets the  
22 standards set by the state board pursuant to section 256.7,  
23 subsection 30, and who complies with rules adopted by the state  
24 board pursuant to subsection 3.

25 DIVISION IX

26 STATE BOARD OF REGENTS PROVISIONS

27 Sec. 32. Section 262.9, Code Supplement 2011, is amended by  
28 adding the following new subsection:

29 NEW SUBSECTION. 36. Develop a program for implementing  
30 continuous improvement methodologies in every undergraduate  
31 course offered by an institution of higher education governed  
32 by the board. For courses with enrollments of three hundred or  
33 more annually, whether in one or multiple sections, continuous  
34 improvement plans shall be developed and implemented beginning  
35 in the fall semester of 2013. The board shall annually

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1 evaluate the effectiveness of the methodologies and plans and  
2 shall submit its findings and recommendations in a report to  
3 the general assembly by November 1.

4 Sec. 33. Section 262.30, Code Supplement 2011, is amended  
5 to read as follows:

6 **262.30 ~~Contracts for practitioner~~ Practitioner preparation**  
7 **~~— contracts — report.~~**

8 1. The board of directors of any school district in the  
9 state of Iowa may enter into contract with the state board of  
10 regents for furnishing instruction to pupils of such school  
11 district, and for practitioner preparation for the schools  
12 of the state in such particular lines of demonstration and  
13 instruction as are deemed necessary for the efficiency of the  
14 university of northern Iowa, state university of Iowa, and Iowa  
15 state university of science and technology as training schools  
16 for practitioners.

17 2. Beginning July 1, 2012, the state board of regents shall  
18 conduct annually a study relating to the admission requirements  
19 common to the state universities' practitioner preparation  
20 programs and the cumulative grade point averages of all  
21 students entering and exiting the programs. The study shall  
22 include, as applicable, the progress of such students toward  
23 meeting student teaching and graduation requirements, success  
24 in obtaining teaching licenses, knowledge of content areas, and  
25 employment as practitioners in this state. The board shall  
26 submit its findings and recommendations to the general assembly  
27 by December 1 annually.

28 Sec. 34. **NEW SECTION. 268.8 Science, technology,**  
29 **engineering, and mathematics collaborative initiative.**

30 1. A science, technology, engineering, and mathematics  
31 collaborative initiative is established at the university of  
32 northern Iowa for purposes of supporting activities directly  
33 related to recruitment of kindergarten through grade twelve  
34 mathematics and science teachers for ongoing mathematics and  
35 science programming for students enrolled in kindergarten



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1 through grade twelve.

2     2. The collaborative initiative shall prioritize student  
3 interest in achievement in science, technology, engineering,  
4 and mathematics; reach every student and teacher in every  
5 school district in the state; identify, recruit, prepare,  
6 and support the best mathematics and science teachers; and  
7 sustain exemplary programs through the university's Iowa  
8 mathematics and science education partnership. The university  
9 shall collaborate with the community colleges to develop  
10 science, technology, engineering, and mathematics professional  
11 development programs for community college instructors and for  
12 purposes of science, technology, engineering, and mathematics  
13 curricula development.

14     3. Subject to an appropriation of sufficient funds by  
15 the general assembly, the initiative shall administer the  
16 following:

17     a. Regional science, technology, engineering, and  
18 mathematics networks for Iowa, the purpose of which is to  
19 equalize science, technology, engineering, and mathematics  
20 education enrichment opportunities available to learners  
21 statewide. The initiative shall establish six geographically  
22 similar regional science, technology, engineering, and  
23 mathematics networks across Iowa that complement and leverage  
24 existing resources, including but not limited to extension  
25 service assets, area education agencies, state accredited  
26 postsecondary institutions, informal educational centers,  
27 school districts, economic development zones, and existing  
28 public and private science, technology, engineering, and  
29 mathematics partnerships. Each network shall be managed  
30 by a highly qualified science, technology, engineering,  
31 and mathematics advocate positioned at a network hub to  
32 be determined through a competitive application process.  
33 Oversight for each regional network shall be provided by  
34 a regional advisory board. Members of the board shall be  
35 appointed by the governor. The membership shall represent

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1 prekindergarten through grade twelve school districts  
2 and schools, and higher education, business, nonprofit  
3 organizations, youth agencies, and other appropriate  
4 stakeholders.

5     **b.** A focused array of the best science, technology,  
6 engineering, and mathematics enrichment opportunities, selected  
7 through a competitive application process, that can be expanded  
8 to meet future needs. A limited, focused list of selected  
9 exemplary programs shall be made available to each regional  
10 network.

11     **c.** Statewide science, technology, engineering, and  
12 mathematics programming designed to increase participation of  
13 students and teachers in successful learning experiences; to  
14 increase the number of science, technology, engineering, and  
15 mathematics-related teaching majors offered by the state's  
16 universities; to elevate public awareness of the opportunities;  
17 and to increase collaboration and partnerships.

18     **4.** The initiative shall evaluate the effectiveness of  
19 programming to document best practices.

20                                   DIVISION X

21     NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS AWARDS

22     Sec. 35. Section 256.44, subsection 1, paragraph a, Code  
23 2011, is amended to read as follows:

24     **a.** If a teacher registers for national board for  
25 professional teaching standards certification ~~by~~ after December  
26 31, 2007, a one-time initial reimbursement award in the amount  
27 of up to one-half of the registration fee paid by the teacher  
28 for registration for certification by the national board for  
29 professional teaching standards. The teacher shall apply to  
30 the department ~~within one year of registration~~ in a manner and  
31 according to procedures required by the department, submitting  
32 to the department any documentation the department requires.  
33 A teacher who receives an initial reimbursement award shall  
34 receive a one-time final registration award in the amount of  
35 the remaining national board registration fee paid by the



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1 teacher if the teacher notifies the department of the teacher's  
2 certification achievement and submits any documentation  
3 requested by the department.

4 Sec. 36. Section 256.44, subsection 1, paragraph b,  
5 subparagraph (1), subparagraph division (b), Code 2011, is  
6 amended to read as follows:

7 (b) If the teacher registers for national board for  
8 professional teaching standards certification ~~between January~~  
9 ~~1, 1999, and December 31, 2007,~~ and achieves certification  
10 within the timelines and policies established by the national  
11 board for professional teaching standards, an annual award in  
12 the amount of two thousand five hundred dollars upon achieving  
13 certification by the national board of professional teaching  
14 standards.

15 DIVISION XI

16 EARLY CHILDHOOD LITERACY

17 Sec. 37. Section 256.7, Code Supplement 2011, is amended by  
18 adding the following new subsection:

19 NEW SUBSECTION. 32. By July 1, 2013, adopt by rule  
20 guidelines for school district implementation of section  
21 279.69, including but not limited to basic levels of reading  
22 proficiency on approved assessments and identification of tools  
23 that school districts may use in evaluating and reevaluating  
24 any student who may be or who is determined to be deficient in  
25 reading, including but not limited to initial assessments and  
26 subsequent assessments, alternative assessments, and portfolio  
27 reviews. The state board shall adopt standards that provide  
28 a reasonable expectation that a student's progress toward  
29 reading proficiency under section 279.69 is sufficient to  
30 master appropriate grade four level reading skills prior to the  
31 student's promotion to grade four.

32 Sec. 38. Section 256.9, subsection 53, Code Supplement  
33 2011, is amended by adding the following new paragraph:

34 NEW PARAGRAPH. c. Establish, subject to an appropriation  
35 of sufficient funds by the general assembly, an Iowa reading

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1 research center to apply current research on literacy to  
2 provide for the development and dissemination of all of the  
3 following:

- 4 (1) Promising instructional strategies in reading.
- 5 (2) Reading assessments.
- 6 (3) Professional development strategies and materials  
7 aligned with current and emerging best practices for the  
8 teaching of reading.

9 Sec. 39. NEW SECTION. 279.69 Student progression —  
10 remedial instruction — reporting requirements — promotion.

11 1. *Reading deficiency and parental notification.*

12 a. A school district shall provide intensive reading  
13 instruction to any student who exhibits a substantial  
14 deficiency in reading, based upon locally determined or  
15 statewide assessments conducted in kindergarten or grade one,  
16 grade two, or grade three, or through teacher observations,  
17 immediately following the identification of the reading  
18 deficiency. The student's reading proficiency shall be  
19 reassessed by locally determined and statewide assessments.  
20 The student shall continue to be provided with intensive  
21 reading instruction until the reading deficiency is remedied.

22 b. The parent or guardian of any student in kindergarten  
23 through grade three who exhibits a substantial deficiency in  
24 reading, as described in paragraph "a", shall be notified at  
25 least annually in writing of the following:

- 26 (1) That the child has been identified as having a  
27 substantial deficiency in reading.
- 28 (2) A description of the services currently provided to the  
29 child.
- 30 (3) A description of the proposed supplemental  
31 instructional services and supports that the school district  
32 will provide to the child that are designed to remediate the  
33 identified area of reading deficiency.
- 34 (4) Strategies for parents and guardians to use in helping  
35 the child succeed in reading proficiency, including but not



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1 limited to the promotion of parent-guided home reading.  
2 2. *Successful progression for early readers.* A school  
3 district shall do all of the following:  
4 a. Provide students who are identified as having a  
5 substantial deficiency in reading under subsection 1, paragraph  
6 "a", with intensive instructional services and supports,  
7 free of charge, to remediate the identified areas of reading  
8 deficiency, including a minimum of a daily ninety-minute block  
9 of scientific-research-based reading instruction and other  
10 strategies prescribed by the school district which may include  
11 but are not limited to the following:  
12 (1) Small group instruction.  
13 (2) Reduced teacher-student ratios.  
14 (3) More frequent progress monitoring.  
15 (4) Tutoring or mentoring.  
16 (5) Extended school day, week, or year.  
17 (6) Summer reading programs.  
18 b. At regular intervals, apprise the parent or guardian of  
19 academic and other progress being made by the student and give  
20 the parent or guardian other useful information.  
21 c. In addition to required reading enhancement and  
22 acceleration strategies, provide parents of students who are  
23 identified as having a substantial deficiency in reading under  
24 subsection 1, paragraph "a", with a plan outlined in a parental  
25 contract, including participation in regular parent-guided home  
26 reading.  
27 d. Establish a reading enhancement and acceleration  
28 development initiative designed to offer intensive accelerated  
29 reading instruction to each kindergarten through grade three  
30 student who is assessed as exhibiting a substantial deficiency  
31 in reading. The initiative shall comply with all of the  
32 following criteria:  
33 (1) Be provided to all kindergarten through grade three  
34 students who exhibit a substantial deficiency in reading under  
35 this section. The assessment initiative shall measure phonemic



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1 awareness, phonics, fluency, vocabulary, and comprehension.

2 (2) Be provided during regular school hours in addition to  
3 the regular reading instruction.

4 (3) Provides a reading curriculum that meets guidelines  
5 adopted pursuant to section 256.7, subsection 32, and at a  
6 minimum has the following specifications:

7 (a) Assists students assessed as exhibiting a substantial  
8 deficiency in reading to develop the skills to read at grade  
9 level.

10 (b) Provides skill development in phonemic awareness,  
11 phonics, fluency, vocabulary, and comprehension.

12 (c) Includes a scientifically based and reliable  
13 assessment.

14 (d) Provides initial and ongoing analysis of each student's  
15 reading progress.

16 (e) Is implemented during regular school hours.

17 (f) Provides a curriculum in core academic subjects to  
18 assist the student in maintaining or meeting proficiency levels  
19 for the appropriate grade in all academic subjects.

20 e. Report to the department of education the specific  
21 intensive reading interventions and supports implemented by the  
22 school district pursuant to this section. The department shall  
23 annually prescribe the components of required or requested  
24 reports.

25 3. *Promotion to grade four.* In determining whether to  
26 promote a student in grade three to grade four, a school  
27 district shall place significant weight on any reading  
28 deficiency identified pursuant to subsection 1, paragraph "a",  
29 that is not yet remediated. The school district shall also  
30 weigh the student's progress in other subject areas, as well as  
31 the student's overall intellectual, physical, emotional, and  
32 social development. A decision to retain a student in grade  
33 three shall be made only after direct personal consultation  
34 with the student's parent or guardian and after the formulation  
35 of a specific plan of action to remedy the student's reading



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1 deficiency.

2

DIVISION XII

3

INSTRUCTIONAL TIME PILOT PROJECT

4 Sec. 40. NEW SECTION. 256.41 Instructional time pilot  
5 project.

6 1. Beginning July 1, 2013, an instructional time pilot  
7 project is established to study the effectiveness of extra  
8 instructional time for prekindergarten through grade twelve.  
9 The instructional time pilot project shall be administered by  
10 the department of education.

11 2. a. The department shall establish an application process  
12 for school districts for the instructional time pilot project.  
13 Applications from school districts shall be submitted to the  
14 department by October 1, 2012. The department shall approve or  
15 deny all applications by December 1, 2012.

16 b. A school district shall describe in its application the  
17 student populations and schools to be included in the pilot  
18 project, and the school district's reasons for such inclusions.

19 c. A school district shall describe in its application its  
20 specific goals regarding increased effectiveness in education  
21 for the use of extra instructional time through the pilot  
22 project.

23 d. The department shall develop a method for scoring  
24 applications for the pilot project from school districts.  
25 In scoring applications, the department shall consider the  
26 geographic diversity and student population size of the  
27 applying school districts.

28 3. The number of participating students in the  
29 instructional time pilot project shall not exceed seven percent  
30 of the total student enrollment in school districts statewide  
31 in prekindergarten through grade twelve for the school year  
32 ending June 30, 2012. The number of participating students in  
33 the pilot project in a school district shall not exceed ten  
34 percent of the total student population for prekindergarten  
35 through grade twelve in the district for the school year ending

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1 June 30, 2012.

2 4. Notwithstanding section 256.7, subsection 19; section  
3 279.10, subsection 1; or any other provision of law to the  
4 contrary, for the purposes of a student participating in the  
5 instructional time pilot project:

6 a. The school year for a school district shall begin on July  
7 1 and end on July 30 and each school calendar shall include not  
8 less than one thousand forty-five hours of instruction during  
9 the school calendar year. The board of directors of a school  
10 district shall set the number of days of required attendance  
11 for the school calendar year as provided in section 299.1,  
12 subsection 2.

13 b. The state board of education shall define instructional  
14 hours as time spent with a licensed teacher that shall be  
15 exclusive of the lunch period and parent-teacher conferences,  
16 but may include passing time between classes.

17 5. The department shall submit a report to the general  
18 assembly, annually by December 15, on the instructional  
19 time pilot project. The report shall include the number of  
20 participating students in each school district, project data  
21 broken down by school district, findings and outcomes from the  
22 project, and policy recommendations regarding instructional  
23 time.

24 6. The department shall adopt rules pursuant to chapter 17A  
25 necessary to administer this section.

26 7. This section is repealed June 30, 2016.

27 Sec. 41. Section 257.11, Code 2011, is amended by adding the  
28 following new subsection:

29 NEW SUBSECTION. 11. *Instructional time pilot project.*

30 a. In order to provide additional funds for school districts  
31 in which pupils participate in the instructional time pilot  
32 project established in section 256.41, a supplementary  
33 weighting plan for determining enrollment is adopted.

34 b. Pupils participating in the instructional time pilot  
35 project are assigned a supplementary weighting of five



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1 one-hundredths.

2 c. This subsection is repealed June 30, 2016.

3 DIVISION XIII

4 PARENT LIAISON COUNSELORS PILOT PROGRAM

5 Sec. 42. NEW SECTION. 280.30 Parent liaison counselor pilot  
6 program.

7 1. A parent liaison counselor pilot program is established  
8 to be administered by the department of education. An  
9 attendance center in a school district identified by the  
10 department of education as a persistently lowest-achieving  
11 school shall employ one parent liaison counselor. A parent  
12 liaison counselor shall be a teacher or guidance counselor  
13 licensed under chapter 272.

14 2. For purposes of this section, "*targeted students*"  
15 includes students in special education, students in  
16 individualized education programs, students from families with  
17 a family income at or below two hundred percent of the federal  
18 poverty level as defined by the most recently revised poverty  
19 income guidelines published by the United States department of  
20 health and human services, students with ongoing attendance  
21 issues, and other at-risk student populations identified by the  
22 department of education.

23 3. A parent liaison counselor shall have the following  
24 duties:

25 a. Meeting and working with targeted students and the  
26 parents of targeted students, whether at a student's home or  
27 in a student's school, regarding course selection, career  
28 planning, educational needs which are not being met, special  
29 needs, services and resources available outside of school,  
30 and any other matters relevant to improving learning and  
31 achievement of targeted students.

32 b. For targeted students in middle school, focusing  
33 primarily on helping targeted students and the parents of  
34 targeted students with advance planning and course selection  
35 for high school.



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1     4. The department of education shall adopt measures for the  
2 purpose of assessing the effectiveness of the parent liaison  
3 counselor pilot program.

4     5. The department of education shall submit a report to  
5 the general assembly, annually by December 15, on the parent  
6 liaison counselor pilot program.

7     6. This section is repealed June 30, 2016.

8                                 DIVISION XIV  
9                                 STATE MANDATE

10    Sec. 43. STATE MANDATE FUNDING SPECIFIED. In accordance  
11 with section 25B.2, subsection 3, the state cost of requiring  
12 compliance with any state mandate included in this Act shall  
13 be paid by a school district from the state school foundation  
14 aid received by the school district under section 257.16.  
15 This specification of the payment of the state cost shall be  
16 deemed to meet all of the state funding-related requirements of  
17 section 25B.2, subsection 3, and no additional state funding  
18 shall be necessary for the full implementation of this Act  
19 by and enforcement of this Act against all affected school  
20 districts.

21                                 EXPLANATION

22    This bill relates to programs and activities under  
23 the purview of the department of education, the board of  
24 educational examiners, school districts, and accredited  
25 nonpublic schools.

26    DIVISION I — COMPETENCY-BASED INSTRUCTION. 2011 Iowa Acts,  
27 chapter 71 (SF 453), directs the state board of education to  
28 adopt rules requiring public and accredited nonpublic high  
29 schools to consider any student who satisfactorily completes a  
30 high school-level unit to have satisfactorily completed a unit  
31 of the high school graduation requirements for that subject  
32 matter area and to issue high school credit for the unit to  
33 the student. This requirement is limited to the subjects of  
34 English or language arts, mathematics, science, or social  
35 studies. The bill removes that limitation.



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1 The bill permits a school district or accredited nonpublic  
2 school to allow high school credit to be awarded to a student  
3 upon the demonstration of required competencies for a course or  
4 content area, as approved by an appropriately licensed teacher.  
5 The bill specifies that the school district or accredited  
6 nonpublic school determines the assessment methods by which  
7 the student demonstrates sufficient evidence of the required  
8 competencies.

9 The bill defines "unit" for the purposes of course  
10 requirements for students in public and nonpublic schools in  
11 grades 9 through 12. To qualify as a unit, a course must be  
12 taught for at least 200 minutes per week for 36 weeks or be  
13 taught for the equivalent of 120 hours of instruction.

14 The bill provides that a student will receive credit or  
15 partial credit upon successful completion of a course which  
16 meets one of the criteria for "unit" as defined in the bill  
17 or related components equivalent to a course which meets one  
18 of the criteria. Partial credit must be calculated in a  
19 manner consistent with the criteria set out in the bill. The  
20 bill further provides that a student may receive credit on a  
21 performance basis through the administration of an assessment,  
22 provided the assessment covers the competencies ordinarily  
23 included in the regular course.

24 DIVISION II — CORE CURRICULUM FRAMEWORK AND CORE CONTENT  
25 STANDARDS. The bill establishes the core curriculum framework  
26 and core content standards advisory council under the  
27 department of education. The council is required to make  
28 recommendations to the general assembly regarding necessary  
29 changes to the core curriculum and core content standards  
30 with the goal of improving student achievement and academic  
31 growth. The council is also directed to promote any objectives  
32 established by law in making recommendations. Members of the  
33 council serve without compensation but may be reimbursed for  
34 their actual expenses incurred in the performance of their  
35 duties.



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1 The bill adds the subjects of music and other fine arts,  
2 applied arts, foreign languages, physical education, character  
3 education, and entrepreneurship education to the skills and  
4 knowledge the core curriculum for kindergarten through grade 12  
5 must address.

6 DIVISION III — REGIONAL PARENT ADVOCACY NETWORKS. The bill  
7 requires the area education agency boards to establish regional  
8 parent advocacy networks to create an integrated, accessible  
9 set of community-wide resources to support learning and  
10 development by July 1, 2013. The bill provides that a regional  
11 parent advocacy network shall include at least one parent  
12 representative from each school district in the area. The  
13 bill provides that, in addition to any other responsibilities,  
14 a regional parent advocacy network shall develop a plan for  
15 better coordination between area education agencies, school  
16 districts, and parents regarding children's mental health  
17 services.

18 The bill requires area education agency administrators to  
19 coordinate with the board of directors of each school district  
20 in the area to facilitate the establishment and maintenance of  
21 the regional parent advocacy networks. The bill directs the  
22 board of directors of each school district, in coordination  
23 with the area education agency administrator, to select at  
24 least one representative from each school district in the area  
25 to serve on the regional parent advocacy network. The bill  
26 provides that if the board of directors of a school district  
27 selects more than one parent representative to serve on the  
28 regional parent advocacy network, the board shall select  
29 a number of parent representatives such that each parent  
30 representative represents 650 students, or as close to that  
31 number as is feasible.

32 DIVISION IV — TEACHER AND ADMINISTRATOR MATTERS. The bill  
33 relates to teaching and administrator standards and teacher and  
34 administrator preparation, licensure, professional development,  
35 and evaluation.



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1 The bill directs the state board to submit recommendations  
2 regarding Iowa teaching and administration standards to the  
3 general assembly by January 1, 2013; directs the director of  
4 the department of education to develop a statewide teacher  
5 evaluation system and a statewide administrator evaluation  
6 system that school districts, charter schools, and accredited  
7 nonpublic schools shall use to standardize the instruments  
8 and processes used to evaluate teachers and administrators  
9 throughout the state; provides for the creation of a task force  
10 to conduct a study regarding a statewide teacher evaluation  
11 system and a statewide administrator evaluation system; and  
12 requires that public school teachers and administrators be  
13 evaluated annually rather than every three years; with the  
14 first two years' evaluations of teachers conducted by a peer  
15 group of teachers, and the third year conducted by at least one  
16 person who holds a valid certification issued for successfully  
17 completing an evaluator training program. Peer group reviews  
18 shall be informal and formative, and cannot be used as the  
19 basis for a recommendation that the teacher participate in an  
20 intensive assistance program or for compensation, promotion,  
21 layoff, or termination purposes.

22 The bill sets out the minimum components of the statewide  
23 teacher evaluation system to be used by school districts,  
24 charter schools, and accredited nonpublic schools. The  
25 components include direct observation of classroom teaching  
26 behaviors, balanced consideration of student outcome measures,  
27 integration of the Iowa teaching standards, and system  
28 applicability to teachers in all content areas taught in a  
29 school.

30 The statewide educator evaluation system task force  
31 must submit its findings, recommendations, and a proposal  
32 for a statewide teacher evaluation system and a statewide  
33 administrator evaluation system to the state board of  
34 education by October 15, 2012. The task force must include  
35 a tiered evaluation system differentiating levels of teacher



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1 effectiveness in its recommendations and proposal.  
2 The bill requires the department of education, in  
3 collaboration with the board of educational examiners and  
4 the postsecondary institutions with approved administrator  
5 preparation programs located in this state, to convene an  
6 administrator preparation and licensure review task force to  
7 identify and recommend measures to improve Iowa's administrator  
8 preparation and licensure practices; requires the department  
9 to convene an Iowa teaching standards and criteria review task  
10 force to identify and recommend measures to improve the Iowa  
11 teaching standards and criteria, and the educator evaluations  
12 conducted based on the Iowa teaching standards; requires  
13 teacher quality committees to meet quarterly and provide  
14 leadership in the development and adoption of professional  
15 development plans and activities, and engage in leading  
16 knowledgeable and responsive professional development for  
17 the school district or area education agency; directs the  
18 department to coordinate a statewide network of professional  
19 development for Iowa teachers which collaborates with teacher  
20 quality committees and annually provides the committees with  
21 best practices in professional development that address unique  
22 local needs; requires school districts to set aside not less  
23 than two hours per instructional week to allow educators to  
24 collaborate with each other to deliver educational programs and  
25 assess student learning.  
26 The administrator preparation and licensure review task  
27 force must identify measures to increase the quality of the  
28 administrator mentoring and induction experience; determine  
29 a timeline and identify barriers to incorporating into the  
30 requirements for administrator preparation program approval  
31 the following research-based practices that promote student  
32 achievement; identify the necessary components of separate  
33 license and endorsement requirements for principals at the  
34 prekindergarten through grade 6 level and at the grade 7  
35 through 12 level; and identify the components necessary for



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1 endorsements in certain specialty areas.

2 The task force shall consist of teachers, administrators,  
3 and representatives of the department of education, the board  
4 of educational examiners, school administrators of Iowa,  
5 and approved practitioner preparation institutions. The  
6 department, the board, and the postsecondary institutions  
7 with approved administrator preparation programs located in  
8 this state may mutually agree to appoint other education  
9 stakeholders as task force members.

10 The task force shall meet quarterly and shall submit its  
11 findings and recommendations, including recommendations  
12 for changes to the Iowa Code as appropriate, to the general  
13 assembly by November 15, 2013.

14 The Iowa teaching standards and criteria review task force,  
15 mentioned earlier, shall consist of teachers, administrators,  
16 and representatives of the department of education, the  
17 board of educational examiners, an organization representing  
18 teachers, and any other appropriate educational stakeholders.  
19 The task force shall submit its findings and recommendations,  
20 including recommendations for changes to the Iowa Code as  
21 appropriate, to the general assembly by November 15, 2012.

22 The bill repeals a Code provision that established a career  
23 ladder pilot program to be administered by the department of  
24 education from 2007 through 2009. The final report on the  
25 pilot program was submitted to the general assembly in March  
26 2010.

27 DIVISION V — TOBACCO PROHIBITED ON SCHOOL GROUNDS. The bill  
28 provides that the use of nicotine products by any student, or  
29 by anyone on school grounds, is prohibited. For a violation of  
30 the provision, the school board may suspend or expel a student,  
31 may remove a person, and may bar the person's future presence  
32 on school grounds.

33 The bill defines "nicotine product" as any product  
34 containing nicotine or any other preparation of tobacco  
35 not described in Code section 453A.1, and any product or





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1 formulation of matter containing biologically active amounts  
2 of nicotine that is manufactured, sold, offered for sale, or  
3 otherwise distributed with the expectation that the product  
4 or matter will be introduced into the human body. "Nicotine  
5 product" does not include any cessation product specifically  
6 approved by the United States food and drug administration for  
7 use in reducing, treating, or eliminating nicotine or tobacco  
8 dependence.

9 DIVISION VI — ONLINE LEARNING. The bill relates to the  
10 development, establishment, and approval of learning programs  
11 delivered online by school districts, charter schools, and  
12 accredited nonpublic schools.

13 The bill requires the director of the department of  
14 education to develop and establish an online learning program  
15 model that meets the telecommunications-related requirements of  
16 Code section 256.7, subsections 7, 8, and 9. The bill amends  
17 those subsections to provide that the current requirements for  
18 telecommunications apply to educational instruction and content  
19 delivery primarily over the internet, but adds that such  
20 coursework must be rigorously aligned to the core curriculum  
21 and core content standards.

22 The bill specifies that rules adopted by the state board  
23 of education provide that delivery of curriculum over the  
24 internet shall not be used by school districts to open enroll  
25 students if more than 20 percent of the student's coursework  
26 is delivered over the internet; provide that not more than 50  
27 percent of a student's coursework may be delivered over the  
28 internet, though an administrator, school board, teacher of  
29 record or subject may waive this requirement with the written  
30 consent of the enrolled student's parent or guardian; and that  
31 a school district implementing an online learning curriculum at  
32 its discretion may offer courses developed by private providers  
33 if they meet the same statutory requirements.

34 A school district shall report to the department annually  
35 the number and unique student identifiers of students who



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1 complete more than 50 percent of their coursework online.  
2 The department shall review the report to determine whether  
3 such students shall be counted by the school district for  
4 state foundation aid as residents receiving competent private  
5 instruction from a licensed practitioner through a school  
6 district; a weighting of three-tenths of one pupil.

7 The bill establishes an Iowa learning online initiative  
8 within the department of education to partner with school  
9 districts to provide distance education to high school students  
10 statewide. Under the initiative, students are enrolled in  
11 a participating school district, which is responsible for  
12 recording grades received for initiative coursework in a  
13 student's permanent record, awarding high school credit for  
14 initiative coursework, and issuing high school diplomas to  
15 students enrolled in the district who completed coursework  
16 under the initiative. Each participating school shall identify  
17 a site coordinator to serve as a student advocate and as a  
18 liaison between the initiative staff and teachers and the  
19 school district.

20 Coursework offered under the initiative shall be rigorous  
21 and high quality, and the department shall annually evaluate  
22 the quality of the courses, ensure that coursework is aligned  
23 with the state's core curriculum and core content requirements  
24 and standards, as well as national standards of quality  
25 for online courses issued by an internationally recognized  
26 association for kindergarten through grade 12 online learning.

27 The department shall make every reasonable effort to expand  
28 student participation in the Iowa learning online initiative to  
29 at least 5,000 students annually statewide.

30 The bill makes conforming changes.

31 DIVISION VII — BOARD OF EDUCATIONAL EXAMINERS PROVISIONS.

32 The bill provides that the governor appoints the executive  
33 director of the board of educational examiners subject to  
34 confirmation by the senate. The executive director shall  
35 possess a background in education licensure and administrative

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1 experience and shall serve at the pleasure of the governor.

2 Currently the director is hired by the board.

3 The bill increases the duration of the student teaching  
4 experience to 14 weeks from 12, and requires the practitioner  
5 preparation program to make every reasonable effort to offer  
6 the experience prior to the student's last semester in the  
7 program, and to expand the student teaching opportunities  
8 beyond one semester.

9 DIVISION VIII — SCHOOL ADMINISTRATOR MANAGER. The bill  
10 provides for the authorization of individuals to act as school  
11 administration managers who successfully complete training  
12 and meet board of educational examiners standards in order to  
13 assist school principals in performing noninstructional duties.

14 DIVISION IX — STATE BOARD OF REGENTS PROVISIONS. The bill  
15 directs the state board of regents to develop a program for  
16 implementing continuous improvement methodologies in every  
17 undergraduate course offered by the regents universities. For  
18 courses with enrollments of 300 or more annually, whether in  
19 one or multiple sections, continuous improvement plans shall  
20 be developed and implemented beginning in the fall semester of  
21 2013. The board shall annually evaluate the effectiveness of  
22 the methodologies and plans and shall submit its findings and  
23 recommendations in a report to the general assembly by November  
24 1.

25 Beginning December 1, 2012, the state board must conduct  
26 annually a study relating to the admission requirements common  
27 to the state universities' practitioner preparation programs  
28 and the cumulative grade point averages of all students  
29 entering and exiting the programs. The study shall include,  
30 as applicable, the progress of such students toward meeting  
31 student teaching and graduation requirements, success in  
32 obtaining teaching licenses, knowledge of content areas, and  
33 employment as practitioners in this state. The board shall  
34 submit its findings and recommendations to the general assembly  
35 by December 1 annually.



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1 The bill establishes a science, technology, engineering,  
2 and mathematics (STEM) collaborative initiative at the  
3 university of northern Iowa for purposes of supporting  
4 activities directly related to recruitment of kindergarten  
5 through grade 12 mathematics and science teacher for ongoing  
6 mathematics and science programming for students enrolled in  
7 kindergarten through grade 12. The collaborative initiative  
8 shall prioritize student interest in achievement in STEM areas;  
9 reach every student and teacher in every school district in  
10 the state; identify, recruit, prepare, and support the best  
11 mathematics and science teachers, and to sustain exemplary  
12 programs through the university's Iowa mathematics and science  
13 education partnership. The university shall collaborate with  
14 the community colleges to develop STEM professional development  
15 programs for community college instructors and for purposes of  
16 STEM curricula development.

17 Subject to an appropriation of sufficient funds by the  
18 general assembly, the initiative shall administer regional  
19 STEM networks for Iowa; a focused array of the best STEM  
20 enrichment opportunities; and statewide STEM programming  
21 designed to increase participation of students and teachers  
22 in successful learning experiences, to increase the number  
23 of science, technology, engineering, and mathematics-related  
24 teaching majors offered by the state's universities, to  
25 elevate public awareness of the opportunities, and to increase  
26 collaboration and partnerships. The initiative shall evaluate  
27 the effectiveness of programming to document best practices.

28 DIVISION X — NATIONAL BOARD FOR PROFESSIONAL TEACHING  
29 STANDARDS AWARDS. The bill eliminates the end dates for  
30 the national board for professional teaching standards  
31 certification one-time reimbursement awards and the annual  
32 awards. The term of eligibility for the annual award is 10  
33 years or for the years in which the individual maintains a  
34 valid certificate, whichever time period is shorter.

35 DIVISION XI — EARLY CHILD LITERACY. The bill provides for



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1 early grade student assessments for reading deficiencies and  
2 parental notification of reading deficiencies.

3 The bill requires the state board of education to adopt  
4 guidelines by July 1, 2013, for implementation of the new  
5 Code provision established by the bill relating to student  
6 progression, retention, and remedial instruction, including  
7 but not limited to basic levels of reading proficiency  
8 on approved assessments and identification of tools that  
9 school districts may use in evaluating and reevaluating any  
10 student who may be or who is determined to be deficient in  
11 reading, including but not limited to initial assessments and  
12 subsequent assessments, alternative assessments, and portfolio  
13 reviews. The state board must adopt standards that provide a  
14 reasonable expectation that a student's progress toward reading  
15 proficiency is sufficient to master appropriate grade four  
16 level reading skills prior to the student's promotion to grade  
17 four.

18 The director of the department of education is required to  
19 establish, subject to an appropriation of state funds, an Iowa  
20 reading research center for the application of current research  
21 on literacy.

22 School districts must provide intensive reading instruction  
23 to students who exhibit a substantial deficiency in reading,  
24 based upon locally determined or statewide assessments  
25 conducted in kindergarten or grade one, grade two, or grade  
26 three, or through teacher observations. The student's reading  
27 proficiency shall be reassessed following the intensive reading  
28 instruction. The student shall continue to be provided with  
29 intensive reading instruction until the reading deficiency is  
30 remedied.

31 School districts must notify at least annually, in writing,  
32 the parent or guardian of a student who exhibits a substantial  
33 deficiency in reading, the district's determination that  
34 the child is deficient in reading, descriptions of the  
35 services currently provided to the child and of the proposed



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1 supplemental instructional services and supports that the  
2 school district will provide to the child to remediate the  
3 deficiency; and strategies for parents and guardians to use in  
4 helping the child succeed in reading proficiency.

5 The intensive supports that a school district must provide  
6 free of charge include a minimum of a 90-minute block of  
7 scientific-research-based reading instruction and other  
8 strategies which may include but are not limited to small group  
9 instruction; reduced teacher-student ratios; more frequent  
10 progress monitoring; tutoring or mentoring; extended school  
11 day, week, or year; and summer reading programs.

12 At regular intervals, the school district shall provide  
13 a report to the parent or guardian apprising the parent or  
14 guardian of academic and other progress being made by the  
15 student and giving other useful information.

16 In addition to required reading enhancement and acceleration  
17 strategies, school districts must provide parents and guardians  
18 of reading-deficient students with instructional options  
19 such as a plan outlined in a parental contract, including  
20 participation in regular parent-guided home reading.

21 School districts must also establish a reading enhancement  
22 and acceleration development initiative designed to offer  
23 intensive accelerated reading instruction to each kindergarten  
24 through grade three student who is assessed as exhibiting  
25 a substantial deficiency in reading. The initiative shall  
26 measure phonemic awareness, phonics, fluency, vocabulary, and  
27 comprehension; be provided during regular school hours in  
28 addition to regular reading instruction; provide a reading  
29 curriculum that meets the state board's guidelines and, at  
30 a minimum, assists students in developing the ability to  
31 read at grade level; provide skill development in phonemic  
32 awareness, phonics, fluency, vocabulary, and comprehension;  
33 include scientifically based and reliable assessment; and  
34 provide initial and ongoing analysis of each student's reading  
35 progress; be implemented during regular school hours; and



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1 provide a curriculum in core academic subjects to assist the  
2 student in maintaining or meeting proficiency levels for the  
3 appropriate grade in all academic subjects.

4 Each school district shall report to the department  
5 the specific intensive reading interventions and supports  
6 implemented by the school district.

7 DIVISION XII — INSTRUCTIONAL TIME PILOT PROJECT. The bill  
8 establishes an instructional time pilot project to study the  
9 effectiveness of extra instructional time for prekindergarten  
10 through grade 12. The project begins July 1, 2013, and shall  
11 be administered by the department of education.

12 The bill requires the department of education to establish  
13 an application process for school districts for the  
14 instructional time pilot project. The bill provides that  
15 applications shall be submitted to the department by October  
16 1, 2012, and approved or denied by December 1, 2012. The bill  
17 provides that an application shall include a description of the  
18 student populations and schools to be included in the project  
19 and the specific goals regarding increased effectiveness  
20 in education the school district has for the project. The  
21 bill requires the department to develop a method for scoring  
22 applications for the project from school districts.

23 The bill includes restrictions on the number of students who  
24 may participate in the project statewide and per district.

25 The bill provides that notwithstanding any other provision  
26 of law to the contrary, for the purposes of a student  
27 participating in the instructional time pilot project, the  
28 school year for a school district shall begin on July 1 and end  
29 on July 30 and each school calendar shall include not less than  
30 1,045 hours of instruction during the school calendar year,  
31 with instructional hours defined as time spent with a licensed  
32 teacher with certain exceptions.

33 The bill requires the department of education to submit an  
34 annual report on the instructional time pilot project to the  
35 general assembly. The bill requires the department to adopt



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1 rules necessary to administer the bill.

2 The bill provides that for the purpose of state education  
3 funding per student for school districts, students who  
4 participate in the instructional time pilot project are  
5 assigned a supplementary weighting of five one-hundredths.

6 The bill's provisions relating to the pilot project are  
7 repealed June 30, 2016.

8 DIVISION XIII — PARENT LIAISON COUNSELORS PILOT PROGRAM.

9 The bill establishes a parent liaison counselor pilot program  
10 to be administered by the department of education. The  
11 bill requires an attendance center in a school district  
12 identified by the department of education as a persistently  
13 lowest-achieving school to employ one parent liaison counselor.  
14 A parent liaison counselor shall be a licensed teacher or  
15 guidance counselor.

16 A parent liaison counselor is required to meet and work  
17 with targeted students and the parents of targeted students,  
18 whether at a student's home or in a student's school, regarding  
19 course selection, career planning, educational needs which are  
20 not being met, special needs, services and resources available  
21 outside of school, and any other matters relevant to improving  
22 learning and achievement of targeted students. The bill  
23 provides that for targeted students in middle school, a parent  
24 liaison counselor shall focus primarily on helping with advance  
25 planning and course selection for high school.

26 A "targeted student" for the purposes of the bill includes  
27 students in special education, students in individualized  
28 education programs, students from families with a family income  
29 at or below 200 percent of the federal poverty level, students  
30 with ongoing attendance issues, and other at-risk student  
31 populations identified by the department of education.

32 The bill requires the department of education to submit an  
33 annual report on the parent liaison counselor pilot program  
34 to the general assembly by December 15. The bill requires  
35 the department to adopt measures necessary to assess the





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1 effectiveness of the program.

2 The bill's provisions relating to the pilot program are  
3 repealed June 30, 2016.

4 DIVISION XIV — STATE MANDATE. The bill may include a state  
5 mandate as defined in Code section 25B.3. The bill requires  
6 that the state cost of any state mandate included in the bill  
7 be paid by a school district from the state school foundation  
8 aid received by the school district under Code section 257.16.  
9 The specification is deemed to constitute state compliance with  
10 any state mandate funding-related requirements of Code section  
11 25B.2.



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**Senate Study Bill 3172 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
SENATE APPROPRIATIONS  
SUBCOMMITTEE ON EDUCATION)

**A BILL FOR**

1 An Act relating to the funding of, the operation of, and  
2 appropriation of moneys to the college student aid  
3 commission, the department for the blind, the department of  
4 education, and the state board of regents, and providing  
5 effective date provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 5117SB (5) 84  
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1                   MIDWESTERN HIGHER EDUCATION COMPACT

2       Section 1. 2011 Iowa Acts, chapter 132, section 32, is  
3 amended to read as follows:

4       SEC. 32. There is appropriated from the general fund of  
5 the state to the department of education for the following  
6 fiscal years, the following amounts, or so much thereof as is  
7 necessary, to be used for the purposes designated:

8       To be distributed to the midwestern higher education compact  
9 to pay Iowa's member state annual obligation:

10 FY 2010-2011.....	\$	39,000
11 FY 2011-2012.....	\$	100,000
12 FY 2012-2013.....	\$	50,000
13		<u>100,000</u>

14       Notwithstanding section 8.33, moneys appropriated in  
15 this section, to the department of education for purposes  
16 of paying Iowa's member state annual obligation under the  
17 midwestern higher education compact, that remain unencumbered  
18 or unobligated at the close of the fiscal year beginning July  
19 1, 2010, and ending June 30, 2011, shall not revert but shall  
20 remain available for expenditure for the purpose designated  
21 until the close of the succeeding fiscal year.

22                   DEPARTMENT FOR THE BLIND

23       Sec. 2. 2011 Iowa Acts, chapter 132, section 97, is amended  
24 to read as follows:

25       SEC. 97. ADMINISTRATION. There is appropriated from the  
26 general fund of the state to the department for the blind for  
27 the fiscal year beginning July 1, 2012, and ending June 30,  
28 2013, the following amount, or so much thereof as is necessary,  
29 to be used for the purposes designated:

30       1. For salaries, support, maintenance, miscellaneous  
31 purposes, and for not more than the following full-time  
32 equivalent positions:

33 .....	\$	<del>845,908</del>
34		<u>1,791,815</u>
35 .....	FTEs	88.00

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1     2. For costs associated with universal access to audio  
2 information over the phone on demand for blind and print  
3 handicapped Iowans:  
4 ..... \$     25,000  
5 ..... 50,000

6                   COLLEGE STUDENT AID COMMISSION

7     Sec. 3. 2011 Iowa Acts, chapter 132, section 98, is amended  
8 to read as follows:

9     SEC. 98. There is appropriated from the general fund of the  
10 state to the college student aid commission for the fiscal year  
11 beginning July 1, 2012, and ending June 30, 2013, the following  
12 amounts, or so much thereof as is necessary, to be used for the  
13 purposes designated:

14     1. GENERAL ADMINISTRATION

15     For salaries, support, maintenance, miscellaneous purposes,  
16 and for not more than the following full-time equivalent  
17 positions:

18 ..... \$     116,472  
19 ..... 232,943  
20 ..... FTEs     3.95

21     2. STUDENT AID PROGRAMS

22     For payments to students for the Iowa grant program  
23 established in section 261.93:

24 ..... \$     395,589  
25 ..... 791,177

26     3. ~~DES MOINES UNIVERSITY~~ — HEALTH CARE PROFESSIONAL  
27 RECRUITMENT PROGRAM

28     For ~~forgivable loans to Iowa students attending Des~~  
29 ~~Moines university — osteopathic medical center under the~~  
30 forgivable loan repayment program for health care professionals  
31 established pursuant to section 261.19:

32 ..... \$     162,987  
33 ..... 325,973

34     4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

35     For purposes of providing national guard educational

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1 assistance under the program established in section 261.86:  
2 ..... \$ ~~1,593,117~~  
3 5,686,233  
4 5. TEACHER SHORTAGE LOAN FORGIVENESS PROGRAM  
5 For the teacher shortage loan forgiveness program  
6 established in section 261.112:  
7 ..... \$ ~~196,226~~  
8 392,452  
9 6. ALL IOWA OPPORTUNITY FOSTER CARE GRANT PROGRAM  
10 For purposes of the all Iowa opportunity foster care grant  
11 program established pursuant to section 261.6:  
12 ..... \$ ~~277,029~~  
13 554,057  
14 7. ALL IOWA OPPORTUNITY SCHOLARSHIP PROGRAM  
15 a. For purposes of the all Iowa opportunity scholarship  
16 program established pursuant to section 261.87:  
17 ..... \$ ~~1,120,427~~  
18 2,240,854  
19 b. If the moneys appropriated by the general assembly to the  
20 college student aid commission for fiscal year 2012-2013 for  
21 purposes of the all Iowa opportunity scholarship program exceed  
22 \$500,000, "eligible institution" as defined in section 261.87,  
23 shall, during fiscal year 2012-2013, include accredited private  
24 institutions as defined in section 261.9, subsection 1.  
25 8. REGISTERED NURSE AND NURSE EDUCATOR LOAN FORGIVENESS  
26 PROGRAM  
27 a. For purposes of the registered nurse and nurse educator  
28 loan forgiveness program established pursuant to section  
29 261.23:  
30 ..... \$ ~~40,426~~  
31 80,852  
32 b. It is the intent of the general assembly that the  
33 commission continue to consider moneys allocated pursuant to  
34 this subsection as moneys that meet the state matching funds  
35 requirements of the federal leveraging educational assistance



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1 program and the federal supplemental leveraging educational  
2 assistance program established under the Higher Education Act  
3 of 1965, as amended.

4 9. BARBER AND COSMETOLOGY ARTS AND SCIENCES TUITION GRANT  
5 PROGRAM

6 For purposes of the barber and cosmetology arts and sciences  
7 tuition grant program established pursuant to section 261.18:

8 ..... \$ ~~18,469~~  
9 36,938

10 Sec. 4. 2011 Iowa Acts, chapter 132, section 101, is amended  
11 to read as follows:

12 SEC. 101. WORK-STUDY APPROPRIATION FOR FY

13 2012-2013. Notwithstanding section 261.85, for the fiscal year  
14 beginning July 1, 2012, and ending June 30, 2013, the amount  
15 appropriated from the general fund of the state to the college  
16 student aid commission for the work-study program under section  
17 261.85 shall be ~~zero~~ \$250,000.

18 DEPARTMENT OF EDUCATION

19 Sec. 5. 2011 Iowa Acts, chapter 132, section 102, is amended  
20 to read as follows:

21 SEC. 102. There is appropriated from the general fund of  
22 the state to the department of education for the fiscal year  
23 beginning July 1, 2012, and ending June 30, 2013, the following  
24 amounts, or so much thereof as is necessary, to be used for the  
25 purposes designated:

26 1. GENERAL ADMINISTRATION

27 For salaries, support, maintenance, miscellaneous purposes,  
28 and for not more than the following full-time equivalent  
29 positions:

30 ..... \$ ~~2,956,906~~  
31 5,913,812  
32 ..... FTEs 81.67

33 2. VOCATIONAL EDUCATION ADMINISTRATION

34 For salaries, support, maintenance, miscellaneous purposes,  
35 and for not more than the following full-time equivalent



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1 positions:  
2 ..... \$ 224,638  
3 ..... 547,840  
4 ..... FTEs 11.50  
5 3. VOCATIONAL REHABILITATION SERVICES DIVISION  
6 a. For salaries, support, maintenance, miscellaneous  
7 purposes, and for not more than the following full-time  
8 equivalent positions:  
9 ..... \$ 2,481,584  
10 ..... 4,963,168  
11 ..... FTEs 255.00  
12 b. For matching funds for programs to enable persons  
13 with severe physical or mental disabilities to function more  
14 independently, including salaries and support, and for not more  
15 than the following full-time equivalent position:  
16 ..... \$ 19,564  
17 ..... 39,128  
18 ..... FTEs 1.00  
19 c. For the entrepreneurs with disabilities program  
20 established pursuant to section 259.4, subsection 9:  
21 ..... \$ 72,768  
22 ..... 145,535  
23 d. For costs associated with centers for independent  
24 living:  
25 ..... \$ 20,147  
26 ..... 40,294  
27 4. STATE LIBRARY  
28 a. For salaries, support, maintenance, miscellaneous  
29 purposes, and for not more than the following full-time  
30 equivalent positions:  
31 ..... \$ 604,810  
32 ..... 1,209,619  
33 ..... FTEs 17.00  
34 b. For the enrich Iowa program established under section  
35 256.57:



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1 ..... \$ 837,114  
2 ..... 2,174,228  
3 5. LIBRARY SERVICE AREA SYSTEM  
4 For ~~state aid~~ salaries, support, maintenance, miscellaneous  
5 purposes, and for not more than the following full-time  
6 equivalent positions:  
7 ..... \$ 502,722  
8 ..... 1,005,444  
9 ..... FTEs 12.00  
10 6. PUBLIC BROADCASTING DIVISION  
11 For salaries, support, maintenance, capital expenditures,  
12 miscellaneous purposes, and for not more than the following  
13 full-time equivalent positions:  
14 ..... \$ 3,327,011  
15 ..... 6,969,021  
16 ..... FTEs 82.00  
17 ~~7. REGIONAL TELECOMMUNICATIONS COUNCILS~~  
18 ~~For state aid:~~  
19 ..... ~~\$ 496,457~~  
20 ~~The regional telecommunications councils established~~  
21 ~~in section 8D.5 shall use the moneys appropriated in this~~  
22 ~~subsection to provide technical assistance for network~~  
23 ~~classrooms, planning and troubleshooting for local area~~  
24 ~~networks, scheduling of video sites, and other related support~~  
25 ~~activities.~~  
26 8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS  
27 For reimbursement for vocational education expenditures made  
28 by secondary schools:  
29 ..... \$ ~~1,315,067~~  
30 ..... 2,630,134  
31 Moneys appropriated in this subsection shall be used  
32 to reimburse school districts for vocational education  
33 expenditures made by secondary schools to meet the standards  
34 set in sections 256.11, 258.4, and 260C.14.  
35 9. SCHOOL FOOD SERVICE





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1 For use as state matching funds for federal programs that  
2 shall be disbursed according to federal regulations, including  
3 salaries, support, maintenance, miscellaneous purposes, and for  
4 not more than the following full-time equivalent positions:

5 ..... \$ 1,088,399  
6 2,176,797  
7 ..... FTEs 20.58

8 10. EARLY CHILDHOOD IOWA FUND — GENERAL AID

9 For deposit in the school ready children grants account of  
10 the early childhood Iowa fund created in section 256I.11:

11 ..... \$ 2,693,057  
12 5,386,113

13 a. From the moneys deposited in the school ready children  
14 grants account for the fiscal year beginning July 1, 2012, and  
15 ending June 30, 2013, not more than \$265,950 is allocated for  
16 the early childhood Iowa office and other technical assistance  
17 activities. The early childhood Iowa state board shall direct  
18 staff to work with the early childhood stakeholders alliance  
19 created in section 256I.12 to inventory technical assistance  
20 needs. Moneys allocated under this lettered paragraph may be  
21 used by the early childhood Iowa state board for the purpose of  
22 skills development and support for ongoing training of staff.  
23 However, except as otherwise provided in this subsection,  
24 moneys shall not be used for additional staff or for the  
25 reimbursement of staff.

26 b. As a condition of receiving moneys appropriated in  
27 this subsection, each early childhood Iowa area board shall  
28 report to the early childhood Iowa state board progress on  
29 each of the local indicators approved by the area board. Each  
30 early childhood Iowa area board must also submit an annual  
31 budget for the area's comprehensive school ready children  
32 grant developed for providing services for children from birth  
33 through five years of age, and provide other information  
34 specified by the early childhood Iowa state board, including  
35 budget amendments as needed. The early childhood Iowa state



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1 board shall establish a submission deadline for the annual  
2 budget and any budget amendments that allow a reasonable period  
3 of time for preparation by the early childhood Iowa area boards  
4 and for review and approval or request for modification of  
5 the materials by the early childhood Iowa state board. In  
6 addition, each early childhood Iowa area board must continue to  
7 comply with reporting provisions and other requirements adopted  
8 by the early childhood Iowa state board in implementing section  
9 256I.9.

10 c. Of the amount appropriated in this subsection for  
11 deposit in the school ready children grants account of the  
12 early childhood Iowa fund, \$2,318,018 shall be used for efforts  
13 to improve the quality of early care, health, and education  
14 programs. Moneys allocated pursuant to this paragraph may be  
15 used for additional staff and for the reimbursement of staff.  
16 The early childhood Iowa state board may reserve a portion  
17 of the allocation, not to exceed \$88,650, for the technical  
18 assistance expenses of the early childhood Iowa state office,  
19 including the reimbursement of staff, and shall distribute  
20 the remainder to early childhood Iowa areas for local quality  
21 improvement efforts through a methodology identified by the  
22 early childhood Iowa state board to make the most productive  
23 use of the funding, which may include use of the distribution  
24 formula, grants, or other means.

25 d. Of the amount appropriated in this subsection for  
26 deposit in the school ready children grants account of  
27 the early childhood Iowa fund, \$825,030 shall be used for  
28 support of professional development and training activities  
29 for persons working in early care, health, and education by  
30 the early childhood Iowa state board in collaboration with  
31 the professional development component group of the early  
32 childhood Iowa stakeholders alliance maintained pursuant to  
33 section 256I.12, subsection 7, paragraph "b", and the early  
34 childhood Iowa area boards. Expenditures shall be limited to  
35 professional development and training activities agreed upon by



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1 the parties participating in the collaboration.

2 11. EARLY CHILDHOOD IOWA FUND — PRESCHOOL TUITION  
3 ASSISTANCE

4 a. For deposit in the school ready children grants account  
5 of the early childhood Iowa fund created in section 256I.11:  
6 ..... \$ ~~2,714,439~~  
7 5,428,877

8 b. The amount appropriated in this subsection shall be  
9 used for early care, health, and education programs to assist  
10 low-income parents with tuition for preschool and other  
11 supportive services for children ages three, four, and five  
12 who are not attending kindergarten in order to increase the  
13 basic family income eligibility requirement to not more than  
14 200 percent of the federal poverty level. In addition, if  
15 sufficient funding is available after addressing the needs of  
16 those who meet the basic income eligibility requirement, an  
17 early childhood Iowa area board may provide for eligibility  
18 for those with a family income in excess of the basic income  
19 eligibility requirement through use of a sliding scale or other  
20 copayment provisions.

21 12. EARLY CHILDHOOD IOWA FUND — FAMILY SUPPORT AND PARENT  
22 EDUCATION

23 a. For deposit in the school ready children grants account  
24 of the early childhood Iowa fund created in section 256I.11:  
25 ..... \$ ~~6,182,217~~  
26 12,364,434

27 b. The amount appropriated in this subsection shall be  
28 used for family support services and parent education programs  
29 targeted to families expecting a child or with newborn and  
30 infant children through age five and shall be distributed using  
31 the distribution formula approved by the early childhood Iowa  
32 state board and shall be used by an early childhood Iowa area  
33 board only for family support services and parent education  
34 programs targeted to families expecting a child or with newborn  
35 and infant children through age five.



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1     c. In order to implement the legislative intent stated in  
2 sections 135.106 and 256I.9, that priority for home visitation  
3 program funding be given to programs using evidenced-based or  
4 promising models for home visitation, it is the intent of the  
5 general assembly to phase-in the funding priority as follows:

6     (1) By July 1, 2013, 25 percent of state funds expended  
7 for home visiting programs are for evidence based or promising  
8 program models.

9     (2) By July 1, 2014, 50 percent of state funds expended for  
10 home visiting programs are for evidenced-based or promising  
11 program models.

12     (3) By July 1, 2015, 75 percent of state funds expended  
13 for home visiting programs are for evidence based or promising  
14 program models.

15     (4) By July 1, 2016, 90 percent of state funds expended  
16 for home visiting programs are for evidence-based or promising  
17 program models. The remaining 10 percent of funds may be  
18 used for innovative program models that do not yet meet the  
19 definition of evidence-based or promising programs.

20     d. For the purposes of this subsection, unless the context  
21 requires:

22     (1) "Evidence-based program" means a program that is based  
23 on scientific evidence demonstrating that the program model  
24 is effective. An evidence-based program shall be reviewed  
25 onsite and compared to program model standards by the model  
26 developer or the developer's designee at least every five years  
27 to ensure that the program continues to maintain fidelity  
28 with the program model. The program model shall have had  
29 demonstrated significant and sustained positive outcomes in an  
30 evaluation utilizing a well-designed and rigorous randomized  
31 controlled research design or a quasi-experimental research  
32 design, and the evaluation results shall have been published in  
33 a peer-reviewed journal.

34     (2) "Family support programs" includes group-based parent  
35 education or home visiting programs that are designed to



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1 strengthen protective factors, including parenting skills,  
2 increasing parental knowledge of child development, and  
3 increasing family functioning and problem solving skills. A  
4 family support program may be used as an early intervention  
5 strategy to improve birth outcomes, parental knowledge, family  
6 economic success, the home learning environment, family and  
7 child involvement with others, and coordination with other  
8 community resources. A family support program may have a  
9 specific focus on preventing child maltreatment or ensuring  
10 children are safe, healthy, and ready to succeed in school.

11 (3) "Promising program" means a program that meets all of  
12 the following requirements:

13 (a) The program conforms to a clear, consistent family  
14 support model that has been in existence for at least three  
15 years.

16 (b) The program is grounded in relevant empirically-based  
17 knowledge.

18 (c) The program is linked to program-determined outcomes.

19 (d) The program is associated with a national or state  
20 organization that either has comprehensive program standards  
21 that ensure high-quality service delivery and continuous  
22 program quality improvement or the program model has  
23 demonstrated through the program's benchmark outcomes that the  
24 program has achieved significant positive outcomes equivalent  
25 to those achieved by program models with published significant  
26 and sustained results in a peer-reviewed journal.

27 (e) The program has been awarded the Iowa family support  
28 credential and has been reviewed onsite at least every five  
29 years to ensure the program's adherence to the Iowa family  
30 support standards approved by the early childhood Iowa  
31 state board created in section 256I.3 or a comparable set of  
32 standards. The onsite review is completed by an independent  
33 review team that is not associated with the program or the  
34 organization administering the program.

35 e. (1) The data reporting requirements adopted by the early

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1 childhood Iowa state board pursuant to section 256I.4 for the  
2 family support programs targeted to families expecting a child  
3 or with newborn and infant children through age five and funded  
4 through the board shall require the programs to participate  
5 in a state administered internet-based data collection system  
6 by July 1, 2013. The data reporting requirements shall be  
7 developed in a manner to provide for compatibility with local  
8 data collection systems. The state board's annual report  
9 submitted each January to the governor and general assembly  
10 under section 256I.4 shall include family support program  
11 outcomes beginning with the January 2015 report.

12 (2) The data on families served that is collected by the  
13 family support programs funded through the early childhood  
14 Iowa initiative shall include but is not limited to basic  
15 demographic information, services received, funding utilized,  
16 and program outcomes for the children and families served. The  
17 state board shall adopt performance benchmarks for the family  
18 support programs and shall revise the Iowa family support  
19 credential to incorporate the performance benchmarks on or  
20 before January 1, 2014.

21 (3) The state board shall identify minimum competency  
22 standards for the employees and supervisors of family support  
23 programs funded through the early childhood Iowa initiative.  
24 The state board shall submit recommendations concerning the  
25 standards to the governor and general assembly on or before  
26 January 1, 2014.

27 (4) On or before January 1, 2013, the state board shall  
28 adopt criminal and child abuse record check requirements for  
29 the employees and supervisors of family support programs funded  
30 through the early childhood Iowa initiative.

31 (5) The state board shall develop a plan to implement a  
32 coordinated intake and referral process for publicly funded  
33 family support programs in order to engage the families  
34 expecting a child or with newborn and infant children through  
35 age five in all communities in the state by July 1, 2015.

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1     13. BIRTH TO AGE THREE SERVICES

2     For expansion of the federal Individuals with Disabilities  
3 Education Improvement Act of 2004, Pub. L. No. 108-446, as  
4 amended to January 1, 2012, birth through age three services  
5 due to increased numbers of children qualifying for those  
6 services:

7 ..... \$     860,700  
8 ..... 1,721,400

9     From the moneys appropriated in this subsection, \$383,769  
10 shall be allocated to the child health specialty clinic at the  
11 state university of Iowa to provide additional support for  
12 infants and toddlers who are born prematurely, drug-exposed, or  
13 medically fragile.

14     14. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

15     To provide moneys for costs of providing textbooks to each  
16 resident pupil who attends a nonpublic school as authorized by  
17 section 301.1:

18 ..... \$     280,107  
19 ..... 560,214

20     Funding under this subsection is limited to \$20 per pupil and  
21 shall not exceed the comparable services offered to resident  
22 public school pupils.

23     15. CORE CURRICULUM AND CAREER INFORMATION AND  
24 DECISION-MAKING SYSTEM

25     For purposes of implementing the statewide core curriculum  
26 for school districts and accredited nonpublic schools and a  
27 state-designated career information and decision-making system:

28 ..... \$     500,000  
29 ..... 1,500,000

30     16. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

31     For purposes of the student achievement and teacher quality  
32 program established pursuant to chapter 284, and for not more  
33 than the following full-time equivalent positions:

34 ..... \$     2,392,500  
35 ..... 5,195,157



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1 ..... FTEs 2.00  
2 17. JOBS FOR AMERICA'S GRADUATES  
3 For school districts to provide direct services to the  
4 most at-risk senior high school students enrolled in school  
5 districts through direct intervention by a jobs for America's  
6 graduates specialist:  
7 ..... \$ 20,000  
8 ..... 540,000  
9 17A. EDUCATION REFORM  
10 For purposes of implementing education reform:  
11 ..... \$ 17,524,843  
12 18. COMMUNITY COLLEGES  
13 a. For general state financial aid to merged areas as  
14 defined in section 260C.2 in accordance with chapters 258 and  
15 260C:  
16 ..... \$ 81,887,324  
17 ..... 188,774,647  
18 ~~The funds appropriated in this subsection shall be allocated~~  
19 ~~pursuant to the formula established in section 206C.18C.~~  
20 Notwithstanding the allocation formula in section 260C.18C,  
21 the funds appropriated in this subsection shall be allocated  
22 as follows:  
23 (1) Merged Area I..... \$ 9,410,108  
24 (2) Merged Area II..... \$ 9,618,608  
25 (3) Merged Area III..... \$ 8,869,371  
26 (4) Merged Area IV..... \$ 4,362,345  
27 (5) Merged Area V..... \$ 10,583,054  
28 (6) Merged Area VI..... \$ 8,504,520  
29 (7) Merged Area VII..... \$ 12,895,629  
30 (8) Merged Area IX..... \$ 16,261,078  
31 (9) Merged Area X..... \$ 29,382,410  
32 (10) Merged Area XI..... \$ 30,644,465  
33 (11) Merged Area XII..... \$ 10,588,450  
34 (12) Merged Area XIII..... \$ 11,187,562  
35 (13) Merged Area XIV..... \$ 4,444,054

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1     (14) Merged Area XV..... \$ 13,939,682  
2     (15) Merged Area XVI..... \$ 8,083,311  
3     b. For distribution to community colleges to supplement  
4 faculty salaries:  
5 ..... \$     250,000  
6 ..... 500,000  
7     ~~c. For deposit in the workforce training and economic~~  
8 ~~development funds created pursuant to section 260C.18A:~~  
9 ~~..... \$ 2,500,000~~  
10                     STATE BOARD OF REGENTS  
11     Sec. 6. 2011 Iowa Acts, chapter 132, section 103, is amended  
12 to read as follows:  
13     SEC. 103. There is appropriated from the general fund of  
14 the state to the state board of regents for the fiscal year  
15 beginning July 1, 2012, and ending June 30, 2013, the following  
16 amounts, or so much thereof as is necessary, to be used for the  
17 purposes designated:  
18     1. OFFICE OF STATE BOARD OF REGENTS  
19     a. For salaries, support, maintenance, miscellaneous  
20 purposes, and for not more than the following full-time  
21 equivalent positions:  
22 ..... \$     532,503  
23 ..... 1,065,005  
24 ..... FTEs     15.00  
25     The state board of regents shall submit a monthly financial  
26 report in a format agreed upon by the state board of regents  
27 office and the legislative services agency. The report  
28 submitted in December 2012 shall include the five-year  
29 graduation rates for the regent universities.  
30     b. For moneys to be allocated to the southwest Iowa graduate  
31 studies center:  
32 ..... \$     43,736  
33 ..... 87,471  
34     c. For moneys to be allocated to the siouxland interstate  
35 metropolitan planning council for the tristate graduate center



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1 under section 262.9, subsection 22:  
2 ..... \$ ~~33,301~~  
3 66,601  
4 d. For moneys to be allocated to the quad-cities graduate  
5 studies center:  
6 ..... \$ ~~64,888~~  
7 129,776  
8 The board may transfer moneys appropriated under paragraph  
9 "b", "c", or "d", of this subsection to any of the other  
10 centers specified in paragraph "b", "c", or "d", if the board  
11 notifies, in writing, the general assembly and the legislative  
12 services agency of the amount, the date, and the purpose of the  
13 transfer.  
14 e. For moneys to be distributed to Iowa public radio for  
15 public radio operations:  
16 ..... \$ ~~195,784~~  
17 391,568  
18 2. STATE UNIVERSITY OF IOWA  
19 a. General university, including lakeside laboratory  
20 For salaries, support, maintenance, equipment, miscellaneous  
21 purposes, and for not more than the following full-time  
22 equivalent positions:  
23 ..... ~~\$104,868,656~~  
24 222,354,717  
25 ..... FTEs 5,058.55  
26 b. Oakdale campus  
27 For salaries, support, maintenance, miscellaneous purposes,  
28 and for not more than the following full-time equivalent  
29 positions:  
30 ..... \$ ~~1,093,279~~  
31 2,186,558  
32 ..... FTEs 38.25  
33 c. State hygienic laboratory  
34 For salaries, support, maintenance, miscellaneous purposes,  
35 and for not more than the following full-time equivalent



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1 positions:  
2 ..... \$ ~~1,768,358~~  
3 3,536,716  
4 ..... FTEs 102.50  
5 d. Family practice program  
6 For allocation by the dean of the college of medicine, with  
7 approval of the advisory board, to qualified participants  
8 to carry out the provisions of chapter 148D for the family  
9 practice program, including salaries and support, and for not  
10 more than the following full-time equivalent positions:  
11 ..... \$ ~~894,133~~  
12 1,788,265  
13 ..... FTEs 190.40  
14 e. Child health care services  
15 For specialized child health care services, including  
16 childhood cancer diagnostic and treatment network programs,  
17 rural comprehensive care for hemophilia patients, and the  
18 Iowa high-risk infant follow-up program, including salaries  
19 and support, and for not more than the following full-time  
20 equivalent positions:  
21 ..... \$ ~~329,728~~  
22 659,456  
23 ..... FTEs 57.97  
24 f. Statewide cancer registry  
25 For the statewide cancer registry, and for not more than the  
26 following full-time equivalent positions:  
27 ..... \$ ~~74,526~~  
28 149,051  
29 ..... FTEs 2.10  
30 g. Substance abuse consortium  
31 For moneys to be allocated to the Iowa consortium for  
32 substance abuse research and evaluation, and for not more than  
33 the following full-time equivalent position:  
34 ..... \$ ~~27,765~~  
35 55,529



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1 ..... FTEs 1.00  
2 h. Center for biocatalysis  
3 For the center for biocatalysis, and for not more than the  
4 following full-time equivalent positions:  
5 ..... \$ ~~361,864~~  
6 723,727  
7 ..... FTEs 6.28  
8 i. Primary health care initiative  
9 For the primary health care initiative in the college  
10 of medicine, and for not more than the following full-time  
11 equivalent positions:  
12 ..... \$ ~~324,465~~  
13 648,930  
14 ..... FTEs 5.89  
15 From the moneys appropriated in this lettered paragraph,  
16 \$254,889 shall be allocated to the department of family  
17 practice at the state university of Iowa college of medicine  
18 for family practice faculty and support staff.  
19 j. Birth defects registry  
20 For the birth defects registry, and for not more than the  
21 following full-time equivalent position:  
22 ..... \$ ~~19,144~~  
23 38,288  
24 ..... FTEs 1.00  
25 k. Larned A. Waterman Iowa nonprofit resource center  
26 For the Larned A. Waterman Iowa nonprofit resource center,  
27 and for not more than the following full-time equivalent  
28 positions:  
29 ..... \$ ~~81,270~~  
30 162,539  
31 ..... FTEs 2.75  
32 l. Iowa online advanced placement academy science,  
33 technology, engineering, and mathematics initiative  
34 For the establishment of the Iowa online advanced placement  
35 academy science, technology, engineering, and mathematics

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1 initiative:  
2 ..... \$ 240,925  
3 ..... 481,849  
4 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY  
5 a. General university  
6 For salaries, support, maintenance, equipment, miscellaneous  
7 purposes, and for not more than the following full-time  
8 equivalent positions:  
9 ..... \$ 82,172,599  
10 ..... 174,231,899  
11 ..... FTEs 3,647.42  
12 b. Agricultural experiment station  
13 For the agricultural experiment station salaries, support,  
14 maintenance, miscellaneous purposes, and for not more than the  
15 following full-time equivalent positions:  
16 ..... \$ 14,055,939  
17 ..... 28,111,877  
18 ..... FTEs 546.98  
19 c. Cooperative extension service in agriculture and home  
20 economics  
21 For the cooperative extension service in agriculture and  
22 home economics salaries, support, maintenance, miscellaneous  
23 purposes, and for not more than the following full-time  
24 equivalent positions:  
25 ..... \$ 8,968,361  
26 ..... 17,936,722  
27 ..... FTEs 383.34  
28 d. Leopold center  
29 For agricultural research grants at Iowa state university of  
30 science and technology under section 266.39B, and for not more  
31 than the following full-time equivalent positions:  
32 ..... \$ 198,709  
33 ..... 397,417  
34 ..... FTEs 11.25  
35 e. Livestock disease research



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1 For deposit in and the use of the livestock disease research  
2 fund under section 267.8:  
3 ..... \$ 86,423  
4 ..... 172,845  
5 4. UNIVERSITY OF NORTHERN IOWA  
6 a. General university  
7 For salaries, support, maintenance, equipment, miscellaneous  
8 purposes, and for not more than the following full-time  
9 equivalent positions:  
10 ..... \$ 37,367,293  
11 ..... 83,230,479  
12 ..... FTEs 1,447.50  
13 b. Recycling and reuse center  
14 For purposes of the recycling and reuse center, and for not  
15 more than the following full-time equivalent positions:  
16 ..... \$ 87,628  
17 ..... 175,256  
18 ..... FTEs 3.00  
19 c. Science, technology, engineering, and mathematics (STEM)  
20 collaborative initiative  
21 For purposes of establishing a science, technology,  
22 engineering, and mathematics (STEM) collaborative initiative,  
23 and for not more than the following full-time equivalent  
24 positions:  
25 ..... \$ 867,328  
26 ..... 4,734,656  
27 ..... FTEs 6.20  
28 (1) From the moneys appropriated in this lettered  
29 paragraph, up to \$282,000 shall be allocated for salaries,  
30 staffing, and institutional support. The remainder of the  
31 moneys appropriated in this lettered paragraph shall be  
32 expended only to support activities directly related to  
33 recruitment of kindergarten through grade 12 mathematics and  
34 science teachers and for ongoing mathematics and science  
35 programming for students enrolled in kindergarten through grade



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1 12.

2 (2) The university of northern Iowa shall work with the  
3 community colleges to develop STEM professional development  
4 programs for community college instructors and STEM curriculum  
5 development.

6 d. Real estate education program

7 For purposes of the real estate education program, and for  
8 not more than the following full-time equivalent position:

9 .....	\$	62,651
10 .....		<u>125,302</u>
11 .....	FTEs	1.00

12 5. STATE SCHOOL FOR THE DEAF

13 For salaries, support, maintenance, miscellaneous purposes,  
14 and for not more than the following full-time equivalent  
15 positions:

16 .....	\$	4,339,982
17 .....		<u>8,679,964</u>
18 .....	FTEs	126.60

19 6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

20 For salaries, support, maintenance, miscellaneous purposes,  
21 and for not more than the following full-time equivalent  
22 positions:

23 .....	\$	1,809,466
24 .....		<u>3,618,931</u>
25 .....	FTEs	62.87

26 7. TUITION AND TRANSPORTATION COSTS

27 For payment to local school boards for the tuition and  
28 transportation costs of students residing in the Iowa braille  
29 and sight saving school and the state school for the deaf  
30 pursuant to section 262.43 and for payment of certain clothing,  
31 prescription, and transportation costs for students at these  
32 schools pursuant to section 270.5:

33 .....	\$	5,882
34 .....		<u>11,763</u>

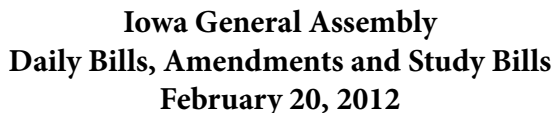
35 8. LICENSED CLASSROOM TEACHERS

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1 For distribution at the Iowa braille and sight saving school  
2 and the Iowa school for the deaf based upon the average yearly  
3 enrollment at each school as determined by the state board of  
4 regents:

7    Sec. 7. 2011 Iowa Acts, chapter 132, section 7, subsection  
8 1, paragraph a, is amended to read as follows:

12	.....	\$	1,065,005
13	.....	FTEs	15.00

17     (2) The state board of regents may transfer moneys  
18 appropriated under paragraphs "b", "c", and "d", to any of the  
19 centers specified in paragraph "b", "c", or "d", if the board  
20 notifies, in writing, the general assembly and the legislative  
21 services agency of the amount, the date, and the purpose of the  
22 transfer.

26 NEW SUBPARAGRAPH. (22) To the administrator of a family  
27 support program receiving public funds, if the data relates to  
28 a record check of an employee working directly with families.

31      256.86   Competition with private sector.

32     1. It is the intent of the general assembly that the  
33 division shall not compete with the private sector by actively  
34 seeking revenue from its operations except as provided in this  
35 chapter.





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1     2. a. The division may receive revenue for providing  
2 services, products, and usage of facilities and equipment if  
3 one or more of the following conditions are met:  
4     (1) The service, product, or usage is not reasonably  
5 available in the private sector.  
6     (2) The division can provide the service, product, or usage  
7 at a time, price, location, or terms that are not reasonably  
8 available through the private sector.  
9     (3) The service, product, or usage is deemed by the division  
10 to be related to public service or the educational mission of  
11 the division.  
12     b. The division may charge reasonable fees for providing  
13 services, products, and usage of facilities and equipment in  
14 accordance with paragraph "a", including but not limited to a  
15 reasonable equipment and facilities usage fee.  
16     c. Fees charged in accordance with this subsection shall be  
17 deposited in the capital equipment replacement revolving fund  
18 created pursuant to section 256.87.  
19     3. It is not the intent of the general assembly to prohibit  
20 the receipt of charitable contributions as defined by section  
21 170 of the Internal Revenue Code.  
22     4. The board, the governor, or the administrator may apply  
23 for and accept federal or nonfederal gifts, loans, or grants of  
24 funds and may use the funds for projects under this chapter.  
25     Sec. 10. Section 256.87, Code 2011, is amended to read as  
26 follows:  
27     **256.87 Costs and fees — capital equipment replacement**  
28 **revolving fund.**  
29     ~~1. The board may provide noncommercial production or~~  
30 ~~reproduction services for other public agencies, nonprofit~~  
31 ~~corporations or associations organized under state law, or~~  
32 ~~other nonprofit organizations, and may collect the costs of~~  
33 ~~providing the services from the public agency, corporation,~~  
34 ~~association, or organization, plus a separate equipment usage~~  
35 ~~fee in an amount determined by the board and based upon the~~

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1 ~~equipment used. The costs shall be deposited to the credit of~~  
2 ~~the board. The separate equipment usage fee shall be deposited~~  
3 ~~in the capital equipment replacement revolving fund.~~

4     2. ~~The board may establish a capital equipment replacement~~  
5 ~~revolving fund into which shall be deposited equipment usage~~  
6 ~~fees collected under subsection 1 and funds from other sources~~  
7 ~~designated for deposit in the A capital equipment replacement~~  
8 ~~revolving fund is created in the state treasury. The revolving~~  
9 ~~fund shall be administered by the board and shall consist~~  
10 ~~of moneys collected by the division as fees and any other~~  
11 ~~moneys obtained or accepted by the division for deposit in the~~  
12 ~~revolving fund.~~

13     2. The board may expend moneys from the capital equipment  
14 replacement revolving fund to update facilities and purchase  
15 ~~technical equipment for operating the educational radio and~~  
16 ~~television facility its operations.~~

17     3. Notwithstanding section 12C.7, subsection 2, interest  
18 or earnings on moneys in the revolving fund shall be credited  
19 to the revolving fund. Notwithstanding section 8.33, moneys  
20 in the revolving fund that remain unencumbered or unobligated  
21 at the close of the fiscal year shall not revert to any other  
22 fund but shall remain available in the revolving fund for the  
23 purposes designated.

24     Sec. 11. Section 261.25, subsection 1, Code Supplement  
25 2011, is amended to read as follows:

26     1. There is appropriated from the general fund of the state  
27 to the commission for each fiscal year the sum of ~~forty-three~~  
28 forty-six million ~~five hundred~~ thirteen thousand four hundred  
29 forty-eight dollars for tuition grants.

30     Sec. 12. Section 261B.11, subsection 10, Code 2011, is  
31 amended to read as follows:

32     10. ~~Accredited higher education institutions that meet the~~  
33 ~~criteria established under section 261.92, subsection 1~~  
34 Public or private institutions of higher learning located in  
35 Iowa which are accredited by the north central association of

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1 colleges and schools accrediting agency; and promote equal  
2 opportunity and affirmative action efforts in the recruitment,  
3 appointment, assignment, and advancement of personnel at the  
4 institution and provide information regarding such efforts to  
5 the commission upon request.

6 Sec. 13. Section 284.13, subsection 1, paragraphs a, b, c,  
7 and d, Code Supplement 2011, are amended to read as follows:

8 a. For the fiscal year beginning July 1, ~~2011~~ 2012, and  
9 ending June 30, ~~2012~~ 2013, to the department of education, the  
10 amount of ~~six~~ five hundred eighty-five thousand dollars for the  
11 issuance of national board certification awards in accordance  
12 with section 256.44. Of the amount allocated under this  
13 paragraph, not less than eighty-five thousand dollars shall  
14 be used to administer the ambassador to education position in  
15 accordance with section 256.45.

16 b. For the fiscal year beginning July 1, ~~2011~~ 2012, and  
17 ending June 30, ~~2012~~ 2013, an amount up to two million ~~three~~  
18 four hundred ~~ninety-five~~ thousand ~~one hundred fifty-seven~~  
19 dollars for first-year and second-year beginning teachers,  
20 to the department of education for distribution to school  
21 districts and area education agencies for purposes of the  
22 beginning teacher mentoring and induction programs. A school  
23 district or area education agency shall receive one thousand  
24 three hundred dollars per beginning teacher participating  
25 in the program. If the funds appropriated for the program  
26 are insufficient to pay mentors, school districts, and  
27 area education agencies as provided in this paragraph, the  
28 department shall prorate the amount distributed to school  
29 districts and area education agencies based upon the amount  
30 appropriated. Moneys received by a school district or  
31 area education agency pursuant to this paragraph shall be  
32 expended to provide each mentor with an award of five hundred  
33 dollars per semester, at a minimum, for participation in  
34 the school district's or area education agency's beginning  
35 teacher mentoring and induction program; to implement the

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1 plan; and to pay any applicable costs of the employer's share  
2 of contributions to federal social security and the Iowa  
3 public employees' retirement system or a pension and annuity  
4 retirement system established under chapter 294, for such  
5 amounts paid by the district or area education agency.

6     c. For the fiscal year beginning July 1, ~~2011~~ 2012,  
7 and ending June 30, ~~2012~~ 2013, up to six hundred thousand  
8 dollars to the department for purposes of implementing the  
9 professional development program requirements of section 284.6,  
10 assistance in developing model evidence for teacher quality  
11 committees established pursuant to section 284.4, subsection  
12 1, paragraph "c", and the evaluator training program in section  
13 284.10. A portion of the funds allocated to the department for  
14 purposes of this paragraph may be used by the department for  
15 administrative purposes and for not more than four full-time  
16 equivalent positions.

17     d. For the fiscal year beginning July 1, ~~2011~~ 2012, and  
18 ending June 30, ~~2012~~ 2013, an amount up to one million ~~one~~  
19 ~~six hundred four ten~~ thousand ~~eight one hundred forty-three~~  
20 ~~fifty-seven~~ dollars to the department for the establishment  
21 of teacher development academies in accordance with section  
22 284.6, subsection 10. A portion of the funds allocated to  
23 the department for purposes of this paragraph may be used for  
24 administrative purposes.

25     Sec. 14. REPEAL. 2011 Iowa Acts, chapter 132, section 99,  
26 is repealed.

27     Sec. 15. EFFECTIVE UPON ENACTMENT. The section of this Act  
28 amending 2011 Iowa Acts, chapter 132, section 7, subsection 1,  
29 paragraph a, being deemed of immediate importance, takes effect  
30 upon enactment.

31                   EXPLANATION

32     This bill relates to moneys appropriated for fiscal year  
33 2012-2013 from the general fund of the state to the college  
34 student aid commission, the department for the blind, the  
35 department of education, and the state board of regents and its

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1 institutions in 2011 Iowa Acts, chapter 132 (HF 645).

2     The bill relates to moneys appropriated to the department  
3 for the blind for its administration and for costs associated  
4 with universal access to audio information over the phone on  
5 demand.

6     The bill relates to appropriations to the college student  
7 aid commission for general administrative purposes, student  
8 aid programs, loan repayment for health care professionals,  
9 the national guard educational assistance program, the teacher  
10 shortage loan forgiveness program, the all Iowa opportunity  
11 foster care grant and scholarship programs, the registered  
12 nurse loan and nurse educator forgiveness program, and the  
13 barber and cosmetology arts and sciences tuition grant program.

14     The bill increases the standing appropriation for Iowa  
15 tuition grants for students attending nonprofit institutions.

16     The bill increases the appropriation for the work-study  
17 program from zero in 2011 Iowa Acts, chapter 132, to \$250,000,  
18 though the amount is still less than the amount that would have  
19 been provided had the standing appropriation not been reduced  
20 by the bill.

21     The bill relates to moneys appropriated to the department  
22 of education for purposes of the midwestern higher education  
23 compact, and the department's general administration,  
24 vocational education administration, division of vocational  
25 rehabilitation services including independent living and  
26 the entrepreneurs with disabilities program and independent  
27 living centers, state library for general administration and  
28 the enrich Iowa program, library service area system, public  
29 broadcasting division, vocational education to secondary  
30 schools, school food service, early childhood Iowa fund,  
31 expansion of the federal Individuals with Disabilities  
32 Education Improvement Act birth through age three services,  
33 textbooks for nonpublic school pupils, the core curriculum and  
34 career information and decision-making system, the student  
35 achievement and teacher quality program, jobs for America's

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1 graduates, and community colleges. The bill adds a new line  
2 item for purposes of education reform, and eliminates funding  
3 for regional telecommunications councils.

4 The bill specifies legislative intent for the phase-in of  
5 funding priorities for the home visitation program; expands  
6 data reporting requirements relating to family support  
7 programs; and requires the early childhood Iowa state board  
8 to identify minimum competency standards, adopt criminal  
9 and child abuse record check requirements for employees and  
10 supervisors of family support programs, and to develop a plan  
11 to implement a coordinated intake and referral process for  
12 publicly funded family support programs statewide. The bill  
13 includes statutory language permitting the administrator of a  
14 family support program receiving public funds to have access to  
15 child abuse information if the data relates to a record check  
16 of an employee working directly with families.

17 The bill relates to moneys appropriated to the state  
18 board of regents for the board office, universities' general  
19 operating budgets; the southwest Iowa graduate studies center;  
20 the siouxland interstate metropolitan planning council; the  
21 quad-cities graduate studies center; Iowa public radio; the  
22 state university of Iowa; Iowa state university of science  
23 and technology; the university of northern Iowa; and for the  
24 Iowa school for the deaf and the Iowa braille and sight saving  
25 school, including tuition and transportation costs for students  
26 residing in the schools and licensed classroom teachers. The  
27 bill adds a new line item for purposes of priorities identified  
28 by the board. The bill also permits the board to redistribute  
29 moneys appropriated for purposes of the graduate studies  
30 centers among the graduate studies centers in fiscal years  
31 2011-2012 and 2012-2013. The provision authorizing fiscal year  
32 2011-2012 transfers takes effect upon enactment.



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**Senate Study Bill 3173 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
SENATE APPROPRIATIONS  
SUBCOMMITTEE ON  
ADMINISTRATION AND  
REGULATION)

**A BILL FOR**

1 An Act relating to appropriations to certain state departments,  
2 agencies, funds, and certain other entities, providing for  
3 regulatory authority, and other properly related matters.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. 2011 Iowa Acts, chapter 127, section 61, is  
2 amended to read as follows:

3 SEC. 61. DEPARTMENT OF ADMINISTRATIVE SERVICES.

4 1. There is appropriated from the general fund of the state  
5 to the department of administrative services for the fiscal  
6 year beginning July 1, 2012, and ending June 30, 2013, the  
7 following amounts, or so much thereof as is necessary, to be  
8 used for the purposes designated, and for not more than the  
9 following full-time equivalent positions:

10 a. For salaries, support, maintenance, and miscellaneous  
11 purposes:

12 .....	\$	<del>2,010,172</del>
13 .....		<u>4,020,344</u>
14 .....	FTEs	<del>84.18</del>
15 .....		<u>78.37</u>

16 b. For the payment of utility costs:

17 .....	\$	<del>1,313,230</del>
18 .....		<u>2,626,460</u>
19 .....	FTEs	<del>1.00</del>

20 Notwithstanding section 8.33, any excess funds appropriated  
21 for utility costs in this lettered paragraph shall not revert  
22 to the general fund of the state at the end of the fiscal year  
23 but shall remain available for expenditure for the purposes of  
24 this lettered paragraph during the succeeding fiscal year.

25 c. For Terrace Hill operations:

26 .....	\$	<del>202,957</del>
27 .....		<u>405,914</u>
28 .....	FTEs	<del>6.88</del>
29 .....		<u>5.00</u>

30 d. For the I3 distribution account:

31 .....	\$	<del>1,638,973</del>
32 .....		<u>3,277,946</u>

33 e. For operations and maintenance of the Iowa building:

34 .....	\$	<del>497,768</del>
35 .....		<u>995,535</u>

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1 ..... FTEs 7.00  
2 6.78

3 2. Members of the general assembly serving as members of  
4 the deferred compensation advisory board shall be entitled  
5 to receive per diem and necessary travel and actual expenses  
6 pursuant to section 2.10, subsection 5, while carrying out  
7 their official duties as members of the board.

8 3. Any funds and premiums collected by the department for  
9 workers' compensation shall be segregated into a separate  
10 workers' compensation fund in the state treasury to be used  
11 for payment of state employees' workers' compensation claims  
12 and administrative costs. Notwithstanding section 8.33,  
13 unencumbered or unobligated moneys remaining in this workers'  
14 compensation fund at the end of the fiscal year shall not  
15 revert but shall be available for expenditure for purposes of  
16 the fund for subsequent fiscal years.

17 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES — TRANSFER  
18 — MEDICATION THERAPY MANAGEMENT PROGRAM. Contingent upon the  
19 enactment of legislation during the 2012 legislative session  
20 establishing a medication therapy management program, there is  
21 transferred from the fees collected by the board of pharmacy  
22 pursuant to chapter 155A and retained by the board pursuant to  
23 the authority granted in section 147.82 to the department of  
24 administrative services for the fiscal year beginning July 1,  
25 2012, and ending June 30, 2013, \$510,000 to be used for the  
26 medication therapy management program.

27 Sec. 3. 2011 Iowa Acts, chapter 127, section 65, is amended  
28 to read as follows:

29 SEC. 65. AUDITOR OF STATE.

30 1. There is appropriated from the general fund of the  
31 state to the office of the auditor of state for the fiscal  
32 year beginning July 1, 2012, and ending June 30, 2013, subject  
33 to subsection 3 of this section, the following amount, or so  
34 much thereof as is necessary, to be used for the purposes  
35 designated, and for not more than the following full-time



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1 equivalent positions:

2 For salaries, support, maintenance, and miscellaneous  
3 purposes:

4 .....	\$	452,734
5 .....		<u>905,468</u>
6 .....	FTEs	103.00

7 2. The auditor of state may retain additional full-time  
8 equivalent positions as is reasonable and necessary to  
9 perform governmental subdivision audits which are reimbursable  
10 pursuant to section 11.20 or 11.21, to perform audits which are  
11 requested by and reimbursable from the federal government, and  
12 to perform work requested by and reimbursable from departments  
13 or agencies pursuant to section 11.5A or 11.5B. The auditor  
14 of state shall notify the department of management, the  
15 legislative fiscal committee, and the legislative services  
16 agency of the additional full-time equivalent positions  
17 retained.

18 3. The auditor of state shall allocate resources from the  
19 appropriation in this section solely for audit work related to  
20 the comprehensive annual financial report, federally required  
21 audits, and investigations of embezzlement, theft, or other  
22 significant financial irregularities until the audit of the  
23 comprehensive annual financial report is complete.

24 Sec. 4. 2011 Iowa Acts, chapter 127, section 66, is amended  
25 to read as follows:

26 SEC. 66. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There  
27 is appropriated from the general fund of the state to the  
28 Iowa ethics and campaign disclosure board for the fiscal year  
29 beginning July 1, 2012, and ending June 30, 2013, the following  
30 amount, or so much thereof as is necessary, for the purposes  
31 designated:

32 For salaries, support, maintenance, and miscellaneous  
33 purposes, and for not more than the following full-time  
34 equivalent positions:

35 .....	\$	237,500
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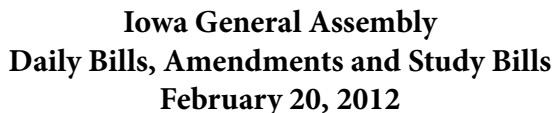
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1 510,000  
2 ..... FTEs 5.00  
3     Sec. 5. 2011 Iowa Acts, chapter 127, section 67, subsection  
4 1, is amended to read as follows:  
5     1. There is appropriated from the general fund of the  
6 state to the department of commerce for the fiscal year  
7 beginning July 1, 2012, and ending June 30, 2013, the following  
8 amounts, or so much thereof as is necessary, for the purposes  
9 designated:  
10     a. ALCOHOLIC BEVERAGES DIVISION  
11     For salaries, support, maintenance, and miscellaneous  
12 purposes, and for not more than the following full-time  
13 equivalent positions:  
14 ..... \$ ~~610,196~~  
15 1,220,391  
16 ..... FTEs ~~21.00~~  
17 18.50  
18     b. PROFESSIONAL LICENSING AND REGULATION BUREAU  
19     For salaries, support, maintenance, and miscellaneous  
20 purposes, and for not more than the following full-time  
21 equivalent positions:  
22 ..... \$ ~~300,177~~  
23 600,353  
24 ..... FTEs 12.00  
25     Sec. 6. 2011 Iowa Acts, chapter 127, section 67, subsection  
26 2, paragraphs a, b, and c, are amended to read as follows:  
27     a. BANKING DIVISION  
28     For salaries, support, maintenance, and miscellaneous  
29 purposes, and for not more than the following full-time  
30 equivalent positions:  
31 ..... \$ ~~4,425,835~~  
32 9,098,170  
33 ..... FTEs ~~80.00~~  
34 70.50  
35     b. CREDIT UNION DIVISION

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1	For salaries, support, maintenance, and miscellaneous	
2	purposes, and for not more than the following full-time	
3	equivalent positions:	
4	.....	\$ 863,998
5		<u>1,792,995</u>
6	..... FTEs	19.00
7		14.00

12	.....	\$	<del>2,491,622</del>
13			<u>4,983,244</u>
14	..... FTEs		<del>106.50</del>
15			99.50

34 (1) For salaries, support, maintenance, and miscellaneous  
35 purposes, and for not more than the following full-time



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1 equivalent positions:

2 .....	\$	4,086,535
3 .....		<u>8,173,069</u>
4 .....	FTEs	79.00

5 (2) The utilities division may expend additional funds,  
6 including funds for additional personnel, if those additional  
7 expenditures are actual expenses which exceed the funds  
8 budgeted for utility regulation and the expenditures are fully  
9 reimbursable. Before the division expends or encumbers an  
10 amount in excess of the funds budgeted for regulation, the  
11 division shall first do both of the following:

12 (a) Notify the department of management, the legislative  
13 services agency, and the legislative fiscal committee of the  
14 need for the expenditures.

15 (b) File with each of the entities named in subparagraph  
16 division (a) the legislative and regulatory justification for  
17 the expenditures, along with an estimate of the expenditures.

18 Sec. 8. 2011 Iowa Acts, chapter 127, section 67, subsection  
19 2, paragraph d, is amended by adding the following new  
20 subparagraph:

21 NEW SUBPARAGRAPH. (3) Notwithstanding sections 8.33  
22 and 476.10 or any other provisions to the contrary, any  
23 unencumbered or unobligated balance of the appropriation made  
24 in this paragraph for the utilities division or any other  
25 operational appropriation made for the fiscal year beginning  
26 July 1, 2012, and ending June 30, 2013, that remains unused,  
27 unencumbered, or unobligated at the close of the fiscal year  
28 shall not revert but shall remain available to be used for  
29 purposes of the energy-efficient building project authorized  
30 under section 476.10B, or for relocation costs in succeeding  
31 fiscal years.

32 Sec. 9. 2011 Iowa Acts, chapter 127, section 68, is amended  
33 to read as follows:

34 SEC. 68. DEPARTMENT OF COMMERCE — PROFESSIONAL LICENSING  
35 AND REGULATION BUREAU. There is appropriated from the housing

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1 trust fund of the Iowa finance authority created in section  
2 16.181, to the bureau of professional licensing and regulation  
3 of the banking division of the department of commerce for the  
4 fiscal year beginning July 1, 2012, and ending June 30, 2013,  
5 the following amount, or so much thereof as is necessary, to be  
6 used for the purposes designated:

7 For salaries, support, maintenance, and miscellaneous  
8 purposes:

9 ..... \$ 31,159  
10 ..... 62,317

11 Sec. 10. IOWA TELECOMMUNICATIONS AND TECHNOLOGY

12 COMMISSION — REGIONAL TELECOMMUNICATIONS COUNCILS. There is  
13 appropriated from the general fund of the state to the Iowa  
14 telecommunications and technology commission for the fiscal  
15 year beginning July 1, 2012, and ending June 30, 2013, the  
16 following amounts, or so much thereof as is necessary, to be  
17 used for the purposes designated:

18 For state aid for regional telecommunications councils:

19 ..... \$ 992,913

20 The regional telecommunications councils established  
21 in section 8D.5 shall use the moneys appropriated in  
22 this section to provide technical assistance for network  
23 classrooms, planning and troubleshooting for local area  
24 networks, scheduling of video sites, and other related support  
25 activities.

26 Sec. 11. 2011 Iowa Acts, chapter 127, section 69, is amended  
27 to read as follows:

28 SEC. 69. GOVERNOR AND LIEUTENANT GOVERNOR. There is  
29 appropriated from the general fund of the state to the offices  
30 of the governor and the lieutenant governor for the fiscal year  
31 beginning July 1, 2012, and ending June 30, 2013, the following  
32 amounts, or so much thereof as is necessary, to be used for the  
33 purposes designated:

34 1. GENERAL OFFICE

35 For salaries, support, maintenance, and miscellaneous

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1 purposes:

2 .....	\$	<del>1,144,013</del>
3 .....		<u>2,194,914</u>
4 .....	FTEs	<del>22.88</del>
5 .....		<u>20.00</u>

6 2. TERRACE HILL QUARTERS

7 For salaries, support, maintenance, and miscellaneous  
8 purposes for the governor's quarters at Terrace Hill, and for  
9 not more than the following full-time equivalent positions:

10 .....	\$	<u>93,111</u>
11 .....	FTEs	<u>2.00</u>

12 Sec. 12. 2011 Iowa Acts, chapter 127, section 70, is amended  
13 to read as follows:

14 SEC. 70. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY. There  
15 is appropriated from the general fund of the state to the  
16 governor's office of drug control policy for the fiscal year  
17 beginning July 1, 2012, and ending June 30, 2013, the following  
18 amount, or so much thereof as is necessary, to be used for the  
19 purposes designated:

20 For salaries, support, maintenance, and miscellaneous  
21 purposes, including statewide coordination of the drug abuse  
22 resistance education (D.A.R.E.) programs or similar programs,  
23 and for not more than the following full-time equivalent  
24 positions:

25 .....	\$	<del>145,000</del>
26 .....		<u>0</u>
27 .....	FTEs	<del>8.00</del>
28 .....		<u>2.00</u>

29 Sec. 13. 2011 Iowa Acts, chapter 127, section 71, is amended  
30 to read as follows:

31 SEC. 71. DEPARTMENT OF HUMAN RIGHTS. There is appropriated  
32 from the general fund of the state to the department of human  
33 rights for the fiscal year beginning July 1, 2012, and ending  
34 June 30, 2013, the following amounts, or so much thereof as is  
35 necessary, to be used for the purposes designated:

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1 1. CENTRAL ADMINISTRATION DIVISION

2 For salaries, support, maintenance, and miscellaneous  
3 purposes, and for not more than the following full-time  
4 equivalent positions:

5	.....	\$	103,052
6			<u>206,103</u>
7	.....	FTEs	7.00
8			5.35

9 2. COMMUNITY ADVOCACY AND SERVICES DIVISION

10 For salaries, support, maintenance, and miscellaneous  
11 purposes, and for not more than the following full-time  
12 equivalent positions:

13	.....	\$	514,039
14			<u>1,028,077</u>
15	.....	FTEs	<del>17.00</del>
16			9.38

17 3. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION

18 For salaries, support, maintenance, and miscellaneous  
19 purposes, and for not more than the following full-time  
20 equivalent positions:

21	.....	\$	511,946
22			<u>1,023,892</u>
23	.....	FTEs	10.00

24 The criminal and juvenile justice planning advisory council  
25 and the juvenile justice advisory council shall coordinate  
26 their efforts in carrying out their respective duties relative  
27 to juvenile justice.

28      Sec. 14. 2011 Iowa Acts, chapter 127, section 72, is amended  
29 to read as follows:

30 SEC. 72. DEPARTMENT OF INSPECTIONS AND APPEALS. There  
31 is appropriated from the general fund of the state to the  
32 department of inspections and appeals for the fiscal year  
33 beginning July 1, 2012, and ending June 30, 2013, the following  
34 amounts, or so much thereof as is necessary, for the purposes  
35 designated:





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1     1.   ADMINISTRATION DIVISION  
2     For salaries, support, maintenance, and miscellaneous  
3 purposes, and for not more than the following full-time  
4 equivalent positions:  
5 ..... \$     763,870  
6 .....  
7 ..... FTEs     37.40  
8 .....  
9     2.   ADMINISTRATIVE HEARINGS DIVISION  
10    For salaries, support, maintenance, and miscellaneous  
11 purposes, and for not more than the following full-time  
12 equivalent positions:  
13 ..... \$     264,377  
14 .....  
15 ..... FTEs     23.00  
16    3.   INVESTIGATIONS DIVISION  
17    a.   For salaries, support, maintenance, and miscellaneous  
18 purposes, and for not more than the following full-time  
19 equivalent positions:  
20 ..... \$     584,320  
21 .....  
22 ..... FTEs     58.50  
23    b.   The department, in coordination with the investigations  
24 division, shall provide a report to the general assembly by  
25 January 10, 2013, concerning the fiscal impact of additional  
26 full-time equivalent positions on the department's efforts  
27 relative to the Medicaid divestiture program under chapter  
28 249F.  
29    4.   HEALTH FACILITIES DIVISION  
30    a.   For salaries, support, maintenance, and miscellaneous  
31 purposes, and for not more than the following full-time  
32 equivalent positions:  
33 ..... \$     1,777,664  
34 .....  
35 ..... FTEs     134.75

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1 121.75  
2     b. The department shall, in coordination with the health  
3 facilities division, make the following information available  
4 to the public ~~in a timely manner, to include providing the~~  
5 ~~information on~~ as part of the department's development efforts  
6 to revise the department's internet website, during the fiscal  
7 ~~year beginning July 1, 2012, and ending June 30, 2013:~~  
8       (1) The number of inspections conducted by the division  
9 annually by type of service provider and type of inspection.  
10      (2) The total annual operations budget for the division,  
11 including general fund appropriations and federal contract  
12 dollars received by type of service provider inspected.  
13      (3) The total number of full-time equivalent positions in  
14 the division, to include the number of full-time equivalent  
15 positions serving in a supervisory capacity, and serving as  
16 surveyors, inspectors, or monitors in the field by type of  
17 service provider inspected.  
18      (4) Identification of state and federal survey trends,  
19 cited regulations, the scope and severity of deficiencies  
20 identified, and federal and state fines assessed and collected  
21 concerning nursing and assisted living facilities and programs.  
22     c. It is the intent of the general assembly that the  
23 department and division continuously solicit input from  
24 facilities regulated by the division to assess and improve  
25 the division's level of collaboration and to identify new  
26 opportunities for cooperation.  
27     5. EMPLOYMENT APPEAL BOARD  
28     a. For salaries, support, maintenance, and miscellaneous  
29 purposes, and for not more than the following full-time  
30 equivalent positions:  
31 ..... \$ 21,108  
32 ..... 42,215  
33 ..... FTEs 14.00  
34     b. The employment appeal board shall be reimbursed by  
35 the labor services division of the department of workforce

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1 development for all costs associated with hearings conducted  
2 under chapter 91C, related to contractor registration. The  
3 board may expend, in addition to the amount appropriated under  
4 this subsection, additional amounts as are directly billable  
5 to the labor services division under this subsection and to  
6 retain the additional full-time equivalent positions as needed  
7 to conduct hearings required pursuant to chapter 91C.

8 6. CHILD ADVOCACY BOARD

9 a. For foster care review and the court appointed special  
10 advocate program, including salaries, support, maintenance, and  
11 miscellaneous purposes, and for not more than the following  
12 full-time equivalent positions:

13 .....	\$	<del>1,340,145</del>
14 .....		<u>2,680,290</u>
15 .....	FTEs	<del>40.80</del>
16 .....		<u>32.35</u>

17 b. The department of human services, in coordination with  
18 the child advocacy board and the department of inspections and  
19 appeals, shall submit an application for funding available  
20 pursuant to Tit. IV-E of the federal Social Security Act for  
21 claims for child advocacy board administrative review costs.

22 c. The court appointed special advocate program shall  
23 investigate and develop opportunities for expanding  
24 fund-raising for the program.

25 d. Administrative costs charged by the department of  
26 inspections and appeals for items funded under this subsection  
27 shall not exceed 4 percent of the amount appropriated in this  
28 subsection.

29 Sec. 15. 2011 Iowa Acts, chapter 127, section 72, is amended  
30 by adding the following new subsection:

31 NEW SUBSECTION. 7. FOOD AND CONSUMER SAFETY

32 For salaries, support, maintenance, and miscellaneous  
33 purposes, and for not more than the following full-time  
34 equivalent positions:

35 .....	\$	1,279,331
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1 ..... FTEs 21.00  
2 Sec. 16. 2011 Iowa Acts, chapter 127, section 73, is amended  
3 to read as follows:  
4 SEC. 73. DEPARTMENT OF INSPECTIONS AND APPEALS — MUNICIPAL  
5 CORPORATION FOOD INSPECTIONS. For the fiscal year beginning  
6 July 1, 2012, and ending June 30, 2013, the department of  
7 inspections and appeals shall retain any license fees generated  
8 during the fiscal year as a result of actions under section  
9 137F.3A occurring during the period beginning July 1, 2009, and  
10 ending June 30, ~~2011~~ 2013, for the purpose of enforcing the  
11 provisions of chapters 137C, 137D, and 137F.  
12 Sec. 17. 2011 Iowa Acts, chapter 127, section 78, is amended  
13 to read as follows:  
14 SEC. 78. RACING AND GAMING COMMISSION.  
15 1. RACETRACK REGULATION  
16 There is appropriated from the gaming regulatory revolving  
17 fund established in section 99F.20 to the racing and gaming  
18 commission of the department of inspections and appeals for the  
19 fiscal year beginning July 1, 2012, and ending June 30, 2013,  
20 the following amount, or so much thereof as is necessary, to be  
21 used for the purposes designated:  
22 For salaries, support, maintenance, and miscellaneous  
23 purposes for the regulation of pari-mutuel racetracks, and for  
24 not more than the following full-time equivalent positions:  
25 ..... \$ ~~1,255,720~~  
26 2,898,925  
27 ..... FTEs ~~28.53~~  
28 32.03  
29 2. EXCURSION BOAT AND GAMBLING STRUCTURE REGULATION  
30 There is appropriated from the gaming regulatory revolving  
31 fund established in section 99F.20 to the racing and gaming  
32 commission of the department of inspections and appeals for the  
33 fiscal year beginning July 1, 2012, and ending June 30, 2013,  
34 the following amount, or so much thereof as is necessary, to be  
35 used for the purposes designated:

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1 For salaries, support, maintenance, and miscellaneous  
2 purposes for administration and enforcement of the excursion  
3 boat gambling and gambling structure laws, and for not more  
4 than the following full-time equivalent positions:  
5 ..... \$ ~~1,539,050~~  
6 2,923,838  
7 ..... FTEs ~~44.22~~  
8 40.72

9 Sec. 18. 2011 Iowa Acts, chapter 127, section 79, is amended  
10 to read as follows:

11 SEC. 79. ROAD USE TAX FUND APPROPRIATION — DEPARTMENT OF  
12 INSPECTIONS AND APPEALS. There is appropriated from the road  
13 use tax fund created in section 312.1 to the administrative  
14 hearings division of the department of inspections and appeals  
15 for the fiscal year beginning July 1, 2012, and ending June 30,  
16 2013, the following amount, or so much thereof as is necessary,  
17 for the purposes designated:

18 For salaries, support, maintenance, and miscellaneous  
19 purposes:  
20 ..... \$ ~~811,949~~  
21 1,623,897

22 Sec. 19. 2011 Iowa Acts, chapter 127, section 80, is amended  
23 to read as follows:

24 SEC. 80. DEPARTMENT OF MANAGEMENT.

25 1. There is appropriated from the general fund of the state  
26 to the department of management for the fiscal year beginning  
27 July 1, 2012, and ending June 30, 2013, the following amounts,  
28 or so much thereof as is necessary, to be used for the purposes  
29 designated:

30 For salaries, support, maintenance, and miscellaneous  
31 purposes, and for not more than the following full-time  
32 equivalent positions:  
33 ..... \$ ~~1,196,999~~  
34 2,393,998  
35 ..... FTEs ~~25.00~~

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1 20.00  
2     2. Of the moneys appropriated in this section, the  
3 department shall use a portion for enterprise resource  
4 planning, providing for a salary model administrator,  
5 conducting performance audits, and for the department's LEAN  
6 process.  
7     Sec. 20. 2011 Iowa Acts, chapter 127, section 81, is amended  
8 to read as follows:  
9     SEC. 81. ROAD USE TAX APPROPRIATION — DEPARTMENT OF  
10 MANAGEMENT. There is appropriated from the road use tax fund  
11 created in section 312.1 to the department of management for  
12 the fiscal year beginning July 1, 2012, and ending June 30,  
13 2013, the following amount, or so much thereof as is necessary,  
14 to be used for the purposes designated:  
15     For salaries, support, maintenance, and miscellaneous  
16 purposes:  
17 ..... \$ ~~28,000~~  
18 56,000  
19     Sec. 21. 2011 Iowa Acts, chapter 127, section 82, is amended  
20 to read as follows:  
21     SEC. 82. DEPARTMENT OF REVENUE.  
22     1. There is appropriated from the general fund of the state  
23 to the department of revenue for the fiscal year beginning July  
24 1, 2012, and ending June 30, 2013, the following amounts, or  
25 so much thereof as is necessary, to be used for the purposes  
26 designated:  
27     For salaries, support, maintenance, and miscellaneous  
28 purposes, and for not more than the following full-time  
29 equivalent positions:  
30 ..... \$ ~~8,829,742~~  
31 17,659,484  
32 ..... FTEs ~~303.48~~  
33 245.46  
34     2. Of the funds appropriated pursuant to this section,  
35 \$400,000 shall be used to pay the direct costs of compliance



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1 related to the collection and distribution of local sales and  
2 services taxes imposed pursuant to chapters 423B and 423E.

3 3. The director of revenue shall prepare and issue a state  
4 appraisal manual and the revisions to the state appraisal  
5 manual as provided in section 421.17, subsection 17, without  
6 cost to a city or county.

7 Sec. 22. 2011 Iowa Acts, chapter 127, section 83, is amended  
8 to read as follows:

9 SEC. 83. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is  
10 appropriated from the motor fuel tax fund created by section  
11 452A.77 to the department of revenue for the fiscal year  
12 beginning July 1, 2012, and ending June 30, 2013, the following  
13 amount, or so much thereof as is necessary, to be used for the  
14 purposes designated:

15 For salaries, support, maintenance, miscellaneous purposes,  
16 and for administration and enforcement of the provisions of  
17 chapter 452A and the motor vehicle use tax program:

18 .....	\$	652,888
19 .....		<u>1,305,775</u>

20 Sec. 23. 2011 Iowa Acts, chapter 127, section 84, is amended  
21 to read as follows:

22 SEC. 84. SECRETARY OF STATE.

23 1. There is appropriated from the general fund of the state  
24 to the office of the secretary of state for the fiscal year  
25 beginning July 1, 2012, and ending June 30, 2013, the following  
26 amounts, or so much thereof as is necessary, to be used for the  
27 purposes designated:

28 For salaries, support, maintenance, and miscellaneous  
29 purposes, and for not more than the following full-time  
30 equivalent positions:

31 .....	\$	<del>1,447,793</del>
32 .....		<u>2,895,585</u>
33 .....	FTEs	<del>45.00</del>
34 .....		<u>34.00</u>

35 2. The state department or state agency which provides

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1 data processing services to support voter registration file  
2 maintenance and storage shall provide those services without  
3 charge.

4 Sec. 24. 2011 Iowa Acts, chapter 127, section 86, is amended  
5 to read as follows:

6 SEC. 86. TREASURER.

7 1. There is appropriated from the general fund of the  
8 state to the office of treasurer of state for the fiscal year  
9 beginning July 1, 2012, and ending June 30, 2013, the following  
10 amount, or so much thereof as is necessary, to be used for the  
11 purposes designated:

12 For salaries, support, maintenance, and miscellaneous  
13 purposes, and for not more than the following full-time  
14 equivalent positions:

15 .....	\$	427,145
16 .....		<u>854,289</u>
17 .....	FTEs	28.80

18 2. The office of treasurer of state shall supply clerical  
19 and secretarial support for the executive council.

20 Sec. 25. 2011 Iowa Acts, chapter 127, section 87, is amended  
21 to read as follows:

22 SEC. 87. ROAD USE TAX APPROPRIATION — OFFICE OF TREASURER  
23 OF STATE. There is appropriated from the road use tax fund  
24 created in section 312.1 to the office of treasurer of state  
25 for the fiscal year beginning July 1, 2012, and ending June 30,  
26 2013, the following amount, or so much thereof as is necessary,  
27 to be used for the purposes designated:

28 For enterprise resource management costs related to the  
29 distribution of road use tax funds:

30 .....	\$	46,574
31 .....		<u>93,148</u>

32 Sec. 26. 2011 Iowa Acts, chapter 127, section 88, is amended  
33 to read as follows:

34 SEC. 88. IPERS — GENERAL OFFICE. There is appropriated  
35 from the Iowa public employees' retirement system fund to the

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1 Iowa public employees' retirement system for the fiscal year  
2 beginning July 1, 2012, and ending June 30, 2013, the following  
3 amount, or so much thereof as is necessary, to be used for the  
4 purposes designated:

5 For salaries, support, maintenance, and other operational  
6 purposes to pay the costs of the Iowa public employees'  
7 retirement system, and for not more than the following  
8 full-time equivalent positions:

9 .....	\$	8,843,484
10 .....		<u>17,686,968</u>
11 .....	FTEs	90.13

12 Sec. 27. REPEAL. 2011 Iowa Acts, chapter 129, section 149,  
13 is repealed.

14 EXPLANATION

15 This bill relates to moneys appropriated to various state  
16 departments, agencies, and funds for the fiscal year beginning  
17 July 1, 2012, and ending June 30, 2013. The bill relates to  
18 appropriations to state departments and agencies including the  
19 department of administrative services, Iowa telecommunications  
20 and technology commission, auditor of state, Iowa ethics and  
21 campaign disclosure board, department of commerce, offices of  
22 governor and lieutenant governor, the governor's office of  
23 drug control policy, department of human rights, department of  
24 inspections and appeals, department of management, department  
25 of revenue, secretary of state, treasurer of state, and Iowa  
26 public employees' retirement system.



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**Senate Study Bill 3174 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR'S BUDGET  
BILL)

**A BILL FOR**

1 An Act relating to appropriations to the department of cultural  
2 affairs, the economic development authority, certain  
3 board of regents institutions, the department of workforce  
4 development, the Iowa finance authority, and the public  
5 employment relations board, providing for properly related  
6 matters, and effective date and retroactive applicability  
7 provisions.  
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I  
2 FY 2012-2013 APPROPRIATIONS  
3 Section 1. 2011 Iowa Acts, chapter 130, section 48, is  
4 amended to read as follows:  
5 SEC. 48. DEPARTMENT OF CULTURAL AFFAIRS. There is  
6 appropriated from the general fund of the state to the  
7 department of cultural affairs for the fiscal year beginning  
8 July 1, 2012, and ending June 30, 2013, the following amounts,  
9 or so much thereof as is necessary, to be used for the purposes  
10 designated:  
11 1. ADMINISTRATION  
12 For salaries, support, maintenance, miscellaneous purposes,  
13 and for not more than the following full-time equivalent  
14 positions for the department:  
15 ..... \$ 85,907  
16 ..... 171,813  
17 ..... FTEs 74.50  
18 The department of cultural affairs shall coordinate  
19 activities with the tourism office of the ~~department of~~  
20 economic development authority to promote attendance at the  
21 state historical building and at this state's historic sites.  
22 Full-time equivalent positions authorized under this  
23 subsection shall be funded, in full or in part, using moneys  
24 appropriated under this subsection and subsections 3 through 7.  
25 2. COMMUNITY CULTURAL GRANTS  
26 For planning and programming for the community cultural  
27 grants program established under section 303.3:  
28 ..... \$ 86,045  
29 ..... 172,090  
30 3. HISTORICAL DIVISION  
31 For the support of the historical division:  
32 ..... \$ ~~1,383,851~~  
33 ..... 2,767,701  
34 4. HISTORIC SITES  
35 For the administration and support of historic sites:



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1	.....	\$	213,199
2			<u>426,398</u>
3	5. ARTS DIVISION		
4	For the support of the arts division:		
5	.....	\$	466,882
6			<u>933,764</u>
7	6. IOWA GREAT PLACES		
8	For the Iowa great places program established under section		
9	303.3C:		
10	.....	\$	75,000
11			<u>150,000</u>
12	7. ARCHIVE IOWA GOVERNORS' RECORDS		
13	For archiving the records of Iowa governors:		
14	.....	\$	32,967
15			<u>65,933</u>
16	8. RECORDS CENTER RENT		
17	For payment of rent for the state records center:		
18	.....	\$	113,622
19			<u>227,243</u>
20	9. BATTLE FLAGS		
21	For continuation of the project recommended by the Iowa		
22	battle flag advisory committee to stabilize the condition of		
23	the battle flag collection:		
24	.....	\$	30,000
25			<u>60,000</u>
26	<u>10. FILM OFFICE</u>		
27	<u>For salaries, support, maintenance, miscellaneous purposes,</u>		
28	<u>and for not more than the following full-time equivalent</u>		
29	<u>positions:</u>		
30	.....	\$	400,000
31	.....	FTEs	3.00
32	Sec. 2. 2011 Iowa Acts, chapter 130, section 49, is amended		
33	to read as follows:		
34	SEC. 49. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.		
35	1. For the fiscal year beginning July 1, 2012, the goals for		

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1 the ~~department of~~ economic development authority shall be to  
2 expand and stimulate the state economy, increase the wealth of  
3 Iowans, and increase the population of the state.

4 2. To achieve the goals in subsection 1, the ~~department of~~  
5 economic development authority shall do all of the following  
6 for the fiscal year beginning July 1, 2012:

7 a. Concentrate its efforts on programs and activities that  
8 result in commercially viable products and services.

9 b. Adopt practices and services consistent with free  
10 market, private sector philosophies.

11 c. Ensure economic growth and development throughout the  
12 state.

13 d. Work with businesses and communities to continually  
14 improve the economic development climate along with the  
15 economic well-being and quality of life for Iowans.

16 e. Coordinate with other state agencies to ensure that they  
17 are attentive to the needs of an entrepreneurial culture.

18 f. Establish a strong and aggressive marketing image to  
19 showcase Iowa's workforce, existing industry, and potential.  
20 A priority shall be placed on recruiting new businesses,  
21 business expansion, and retaining existing Iowa businesses.  
22 Emphasis shall be placed on entrepreneurial development through  
23 helping entrepreneurs secure capital, and developing networks  
24 and a business climate conducive to entrepreneurs and small  
25 businesses.

26 g. Encourage the development of communities and quality of  
27 life to foster economic growth.

28 h. Prepare communities for future growth and development  
29 through development, expansion, and modernization of  
30 infrastructure.

31 i. Develop public-private partnerships with Iowa businesses  
32 in the tourism industry, Iowa tour groups, Iowa tourism  
33 organizations, and political subdivisions in this state to  
34 assist in the development of advertising efforts.

35 j. Develop, to the fullest extent possible, cooperative

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1 efforts for advertising with contributions from other sources.

2 Sec. 3. 2011 Iowa Acts, chapter 130, section 50, is amended  
3 to read as follows:

4 SEC. 50. ~~DEPARTMENT OF~~ ECONOMIC DEVELOPMENT AUTHORITY.

5 1. APPROPRIATION

6 There is appropriated from the general fund of the state to  
7 the ~~department of~~ economic development authority for the fiscal  
8 year beginning July 1, 2012, and ending June 30, 2013, the  
9 following amounts, or so much thereof as is necessary, to be  
10 used for the purposes designated in subsection 2, and for not  
11 more than the following full-time equivalent positions:

12 ..... \$ 4,891,712

13 ..... 9,783,424

14 ..... FTEs 149.00

15 2. DESIGNATED PURPOSES

16 a. For salaries, support, miscellaneous purposes, programs,  
17 and the maintenance of an administration division, a business  
18 development division, and a community development division.

19 b. The full-time equivalent positions authorized under this  
20 section shall be funded, in whole or in part, by the moneys  
21 appropriated under subsection 1 or by other moneys received by  
22 the ~~department~~ authority, including certain federal moneys.

23 c. For business development operations and programs, ~~the~~  
24 ~~film office~~, international trade, export assistance, workforce  
25 recruitment, and the partner state program.

26 d. For transfer to the strategic investment fund created in  
27 section 15.313.

28 e. For community economic development programs, tourism  
29 operations, community assistance, plans for Iowa green corps  
30 and summer youth programs, the mainstreet and rural mainstreet  
31 programs, the school-to-career program, the community  
32 development block grant, and housing and shelter-related  
33 programs.

34 f. For achieving the goals and accountability, and  
35 fulfilling the requirements and duties required under this Act.

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1     3. NONREVERSION

2     Notwithstanding section 8.33, moneys appropriated in  
3 subsection 1 that remain unencumbered or unobligated at the  
4 close of the fiscal year shall not revert but shall remain  
5 available for expenditure for the purposes designated in  
6 subsection 2 until the close of the succeeding fiscal year.

7     4. FINANCIAL ASSISTANCE RESTRICTIONS

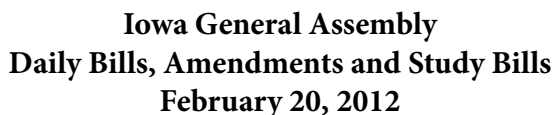
8     a. A business creating jobs through moneys appropriated in  
9 this section shall be subject to contract provisions requiring  
10 new and retained jobs to be filled by individuals who are  
11 citizens of the United States who reside within the United  
12 States or any person authorized to work in the United States  
13 pursuant to federal law, including legal resident aliens in the  
14 United States.

15    b. Any vendor who receives moneys appropriated in this  
16 section shall adhere to such contract provisions and provide  
17 periodic assurances as the state shall require that the jobs  
18 are filled solely by citizens of the United States who reside  
19 within the United States or any person authorized to work in  
20 the United States pursuant to federal law, including legal  
21 resident aliens in the United States.

22    c. A business that receives financial assistance from the  
23 ~~department~~ authority from moneys appropriated in this section  
24 shall only employ individuals legally authorized to work in  
25 this state. In addition to all other applicable penalties  
26 provided by current law, all or a portion of the assistance  
27 received by a business which is found to knowingly employ  
28 individuals not legally authorized to work in this state is  
29 subject to recapture by the department.

30    5. USES OF APPROPRIATIONS

31    a. From the moneys appropriated in this section, the  
32 ~~department~~ authority may provide financial assistance in the  
33 form of a grant to a community economic development entity for  
34 conducting a local workforce recruitment effort designed to  
35 recruit former citizens of the state and former students at



1 colleges and universities in the state to meet the needs of  
2 local employers.

c. From the moneys appropriated in this section, the ~~department~~ authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

18 6. WORLD FOOD PRIZE

22 .....	\$ 250,000
23	1,000,000

25 For allocation to the Iowa commission on volunteer service  
26 for the Iowa's promise and mentoring partnership programs, for  
27 transfer to the Iowa state commission grant program, and for  
28 not more than the following full-time equivalent positions:

32 Of the moneys appropriated in this subsection, the  
33 ~~department~~ authority shall allocate \$37,500 for purposes of the  
34 Iowa state commission grant program and \$51,567 for purposes of  
35 the Iowa's promise and mentoring partnership programs.





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1 Notwithstanding section 8.33, moneys appropriated in this  
2 subsection that remain unencumbered or unobligated at the close  
3 of the fiscal year shall not revert but shall remain available  
4 for expenditure for the purposes designated until the close of  
5 the succeeding fiscal year.

6 Sec. 4. 2011 Iowa Acts, chapter 130, section 52, is amended  
7 to read as follows:

8 SEC. 52. INSURANCE ECONOMIC DEVELOPMENT. From the moneys  
9 collected by the division of insurance in excess of the  
10 anticipated gross revenues under section 505.7, subsection  
11 3, during the fiscal year beginning July 1, 2012, \$100,000  
12 shall be transferred to the ~~department of~~ economic development  
13 authority for insurance economic development and international  
14 insurance economic development.

15 Sec. 5. 2011 Iowa Acts, chapter 130, section 53, is amended  
16 to read as follows:

17 SEC. 53. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding  
18 section 15E.120, subsection 5, there is appropriated from the  
19 Iowa community development loan fund all moneys available  
20 during the fiscal year beginning July 1, 2012, and ending June  
21 30, 2013, to the ~~department of~~ economic development authority  
22 for purposes of the community development program.

23 Sec. 6. 2011 Iowa Acts, chapter 130, is amended by adding  
24 the following new section:

25 SEC. 53A. INCENTIVE FUND. There is appropriated from the  
26 general fund of the state to the economic development authority  
27 for the fiscal year beginning July 1, 2012, and ending June  
28 30, 2013, the following amount to be used for the purposes of  
29 incentives and assistance to create high quality jobs:

30 ..... \$ 24,000,000

31 Sec. 7. 2011 Iowa Acts, chapter 130, section 54, is amended  
32 to read as follows:

33 SEC. 54. WORKFORCE DEVELOPMENT FUND. There is appropriated  
34 from the workforce development fund account created in section  
35 15.342A to the workforce development fund created in section

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1 allocate moneys appropriated in subsection 1 to the various  
2 small business development centers in any manner necessary to  
3 achieve the purposes of this subsection.  
4 3. Iowa state university of science and technology shall do  
5 all of the following:  
6 a. Direct expenditures for research toward projects that  
7 will provide economic stimulus for Iowa.  
8 b. Provide emphasis to providing services to Iowa-based  
9 companies.  
10 4. It is the intent of the general assembly that the  
11 industrial incentive program focus on Iowa industrial  
12 sectors and seek contributions and in-kind donations from  
13 businesses, industrial foundations, and trade associations,  
14 and that moneys for the institute for physical research and  
15 technology industrial incentive program shall be allocated  
16 only for projects which are matched by private sector moneys  
17 for directed contract research or for nondirected research.  
18 The match required of small businesses as defined in section  
19 15.102, subsection 6, for directed contract research or for  
20 nondirected research shall be \$1 for each \$3 of state funds.  
21 The match required for other businesses for directed contract  
22 research or for nondirected research shall be \$1 for each \$1 of  
23 state funds. The match required of industrial foundations or  
24 trade associations shall be \$1 for each \$1 of state funds.  
25 Iowa state university of science and technology shall  
26 report annually to the joint appropriations subcommittee on  
27 economic development and the legislative services agency the  
28 total amount of private contributions, the proportion of  
29 contributions from small businesses and other businesses, and  
30 the proportion for directed contract research and nondirected  
31 research of benefit to Iowa businesses and industrial sectors.  
32 5. Notwithstanding section 8.33, moneys appropriated in  
33 this section that remain unencumbered or unobligated at the  
34 close of the fiscal year shall not revert but shall remain  
35 available for expenditure for the purposes designated until the



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1 close of the succeeding fiscal year.

2 Sec. 10. 2011 Iowa Acts, chapter 130, section 58, is amended  
3 to read as follows:

4 SEC. 58. UNIVERSITY OF IOWA.

5 1. There is appropriated from the general fund of the state  
6 to the state university of Iowa for the fiscal year beginning  
7 July 1, 2012, and ending June 30, 2013, the following amount,  
8 or so much thereof as is necessary, to be used for the state  
9 university of Iowa research park and for the advanced drug  
10 development program at the Oakdale research park, including  
11 salaries, support, maintenance, equipment, miscellaneous  
12 purposes, and for not more than the following full-time  
13 equivalent positions:

14 .....	\$	<del>104,640</del>
15 .....		<u>209,279</u>
16 .....	FTEs	6.00

17 2. The state university of Iowa shall do all of the  
18 following:

19 a. Direct expenditures for research toward projects that  
20 will provide economic stimulus for Iowa.

21 b. Provide emphasis to providing services to Iowa-based  
22 companies.

23 3. Notwithstanding section 8.33, moneys appropriated in  
24 this section that remain unencumbered or unobligated at the  
25 close of the fiscal year shall not revert but shall remain  
26 available for expenditure for the purposes designated until the  
27 close of the succeeding fiscal year.

28 Sec. 11. 2011 Iowa Acts, chapter 130, section 59, is amended  
29 to read as follows:

30 SEC. 59. UNIVERSITY OF NORTHERN IOWA.

31 1. There is appropriated from the general fund of the  
32 state to the university of northern Iowa for the fiscal year  
33 beginning July 1, 2012, and ending June 30, 2013, the following  
34 amount, or so much thereof as is necessary, to be used for the  
35 metal casting institute, the MyEntreNet internet application,

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1 and the institute of decision making, including salaries,  
2 support, maintenance, miscellaneous purposes, and for not more  
3 than the following full-time equivalent positions:

4 .....	\$	287,358
5 .....		<u>574,716</u>
6 .....	FTEs	6.75

7 2. Of the moneys appropriated pursuant to subsection 1, the  
8 university of northern Iowa shall allocate at least \$58,820 for  
9 purposes of support of entrepreneurs through the university's  
10 regional business center.

11 3. The university of northern Iowa shall do all of the  
12 following:

13 a. Direct expenditures for research toward projects that  
14 will provide economic stimulus for Iowa.

15 b. Provide emphasis to providing services to Iowa-based  
16 companies.

17 4. Notwithstanding section 8.33, moneys appropriated in  
18 this section that remain unencumbered or unobligated at the  
19 close of the fiscal year shall not revert but shall remain  
20 available for expenditure for the purposes designated until the  
21 close of the succeeding fiscal year.

22 Sec. 12. 2011 Iowa Acts, chapter 130, section 61,  
23 subsections 1 and 2, are amended to read as follows:

24 1. DIVISION OF LABOR SERVICES

25 a. For the division of labor services, including salaries,  
26 support, maintenance, miscellaneous purposes, and for not more  
27 than the following full-time equivalent positions:

28 .....	\$	<del>1,747,720</del>
29 .....		<u>3,495,440</u>
30 .....	FTEs	64.00

31 b. From the contractor registration fees, the division of  
32 labor services shall reimburse the department of inspections  
33 and appeals for all costs associated with hearings under  
34 chapter 91C, relating to contractor registration.

35 2. DIVISION OF WORKERS' COMPENSATION

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1 a. For the division of workers' compensation, including  
2 salaries, support, maintenance, miscellaneous purposes, and for  
3 not more than the following full-time equivalent positions:

4 ..... \$ ~~1,474,522~~  
5 2,949,044  
6 ..... FTEs 30.00

7 b. The division of workers' compensation shall charge a  
8 \$100 filing fee for workers' compensation cases. The filing  
9 fee shall be paid by the petitioner of a claim. However, the  
10 fee can be taxed as a cost and paid by the losing party, except  
11 in cases where it would impose an undue hardship or be unjust  
12 under the circumstances. The moneys generated by the filing  
13 fee allowed under this subsection are appropriated to the  
14 department of workforce development to be used for purposes of  
15 administering the division of workers' compensation.

16 Sec. 13. 2011 Iowa Acts, chapter 130, section 61, subsection  
17 3, paragraphs a and b, are amended to read as follows:

18 a. For the operation of field offices, the workforce  
19 development board, and for not more than the following  
20 full-time equivalent positions:

21 ..... \$ ~~4,335,676~~  
22 8,671,352  
23 ..... FTEs 130.00

24 b. Of the moneys appropriated in paragraph "a" of this  
25 subsection, the department shall allocate ~~\$4,330,240~~ 8,660,480  
26 for the operation of field offices.

27 Sec. 14. 2011 Iowa Acts, chapter 130, section 61,  
28 subsections 4 and 6, are amended to read as follows:

29 4. OFFENDER REENTRY PROGRAM

30 a. For the development and administration of an offender  
31 reentry program to provide offenders with employment skills,  
32 and for not more than the following full-time equivalent  
33 positions:

34 ..... \$ ~~142,232~~  
35 284,464

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1 ..... FTEs 3.00  
2 b. The department shall partner with the department of  
3 corrections to provide staff within the correctional facilities  
4 to improve offenders' abilities to find and retain productive  
5 employment.  
6 6. NONREVERSION  
7 Notwithstanding section 8.33, moneys appropriated in this  
8 section that remain unencumbered or unobligated at the close of  
9 the fiscal year shall not revert but shall remain available for  
10 expenditure for the purposes designated until the close of the  
11 succeeding fiscal year.  
12 Sec. 15. 2011 Iowa Acts, chapter 130, section 63, is amended  
13 to read as follows:  
14 SEC. 63. EMPLOYMENT SECURITY CONTINGENCY FUND.  
15 1. There is appropriated from the special employment  
16 security contingency fund to the department of workforce  
17 development for the fiscal year beginning July 1, 2012, and  
18 ending June 30, 2013, the following amount, or so much thereof  
19 as is necessary, to be used for field offices:  
20 ..... \$ ~~608,542~~  
21 1,217,084  
22 2. Any remaining additional penalty and interest revenue  
23 collected by the department of workforce development is  
24 appropriated to the department for the fiscal year beginning  
25 July 1, 2012, and ending June 30, 2013, to accomplish the  
26 mission of the department.  
27 Sec. 16. 2011 Iowa Acts, chapter 130, section 64, is amended  
28 to read as follows:  
29 SEC. 64. UNEMPLOYMENT COMPENSATION RESERVE FUND —  
30 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,  
31 paragraph "e", there is appropriated from interest earned on  
32 the unemployment compensation reserve fund to the department  
33 of workforce development for the fiscal year beginning July 1,  
34 2012, and ending June 30, 2013, the following amount or so much  
35 thereof as is necessary, for the purposes designated:



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1 For the operation of field offices:  
2 ..... \$ ~~1,200,000~~  
3 4,238,260  
4 Sec. 17. 2011 Iowa Acts, chapter 130, section 65, is amended  
5 to read as follows:  
6 SEC. 65. GENERAL FUND — EMPLOYEE MISCLASSIFICATION  
7 PROGRAM. There is appropriated from the general fund of the  
8 state to the department of workforce development for the fiscal  
9 year beginning July 1, 2012, and ending June 30, 2013, the  
10 following amount, or so much thereof as is necessary, to be  
11 used for the purposes designated:  
12 For enhancing efforts to investigate employers that  
13 misclassify workers and for not more than the following  
14 full-time equivalent positions:  
15 ..... \$ ~~225,729~~  
16 451,458  
17 ..... FTEs 8.10  
18 Sec. 18. 2011 Iowa Acts, chapter 130, section 67, is amended  
19 to read as follows:  
20 SEC. 67. IOWA FINANCE AUTHORITY.  
21 1. There is appropriated from the general fund of the state  
22 to the Iowa finance authority for the fiscal year beginning  
23 July 1, 2012, and ending June 30, 2013, the following amount,  
24 or so much thereof as is necessary, to be used to provide  
25 reimbursement for rent expenses to eligible persons under the  
26 rent subsidy program:  
27 ..... \$ ~~329,000~~  
28 658,000  
29 2. Participation in the rent subsidy program shall be  
30 limited to only those persons who meet the requirements for the  
31 nursing facility level of care for home and community-based  
32 services waiver services as in effect on July 1, 2011, and  
33 to those individuals who are eligible for the federal money  
34 follows the person grant program under the medical assistance  
35 program. Of the moneys appropriated in this section, not more

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1 than \$35,000 may be used for administrative costs.  
2 Sec. 19. 2011 Iowa Acts, chapter 130, section 69, is amended  
3 to read as follows:

4 SEC. 69. PUBLIC EMPLOYMENT RELATIONS BOARD.

5 1. There is appropriated from the general fund of the state  
6 to the public employment relations board for the fiscal year  
7 beginning July 1, 2012, and ending June 30, 2013, the following  
8 amount, or so much thereof as is necessary, for the purposes  
9 designated:

10 For salaries, support, maintenance, miscellaneous purposes,  
11 and for not more than the following full-time equivalent  
12 positions:

13 .....	\$	528,936
14 .....		<u>1,148,426</u>
15 .....	FTEs	10.00

16 2. Of the moneys appropriated in this section, the board  
17 shall allocate \$15,000 for maintaining a website that allows  
18 searchable access to a database of collective bargaining  
19 information.

20 Sec. 20. REPEAL. 2011 Iowa Acts, chapter 130, section 51,  
21 is repealed.

22 DIVISION II  
23 FILM OFFICE

24 Sec. 21. Section 2.48, subsection 3, paragraph c,  
25 subparagraph (5), Code 2011, is amended by striking the  
26 subparagraph.

27 Sec. 22. Section 15.119, subsection 2, paragraph b, Code  
28 Supplement 2011, is amended by striking the paragraph.

29 Sec. 23. Section 303.1, subsection 4, Code 2011, is amended  
30 by adding the following new paragraph:

31 NEW PARAGRAPH. e. Film office.

32 Sec. 24. NEW SECTION. 303.95 Film office establishment and  
33 purpose.

34 The department shall establish and administer a film office.  
35 The purpose of the film office is to assist legitimate film,

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1 television, and video producers in the production of film,  
2 television, and video projects in the state and to increase the  
3 fiscal impact on the state's economy of film, television, and  
4 video projects produced in the state.

5 Sec. 25. Section 422.7, subsection 52, Code Supplement  
6 2011, is amended by striking the subsection.

7 Sec. 26. Section 422.33, subsections 23 and 24, Code  
8 Supplement 2011, are amended by striking the subsections.

9 Sec. 27. Section 422.35, subsection 23, Code Supplement  
10 2011, is amended by striking the subsection.

11 Sec. 28. Section 422.60, subsections 10 and 11, Code  
12 Supplement 2011, are amended by striking the subsections.

13 Sec. 29. Section 533.329, subsection 2, paragraphs f and g,  
14 Code Supplement 2011, are amended by striking the paragraphs.

15 Sec. 30. REPEAL. Sections 15.391, 15.392, 15.393, 422.11T,  
16 422.11U, 432.12J, and 432.12K, Code and Code Supplement 2011,  
17 are repealed.

18 Sec. 31. TRANSITIONAL PROVISIONS — EMERGENCY  
19 ADMINISTRATIVE RULEMAKING. The department of cultural affairs  
20 may adopt emergency rules under section 17A.4, subsection 3,  
21 and section 17A.5, subsection 2, paragraph "b", to implement  
22 the provisions of this Act relating to a film office in  
23 the department of cultural affairs, and the rules shall be  
24 effective January 1, 2013, unless a later date is specified in  
25 the rules. Any rules adopted in accordance with this section  
26 shall also be published as a notice of intended action as  
27 provided in section 17A.4.

28 Sec. 32. APPLICABILITY. The sections of this division of  
29 this Act amending sections 2.48, 15.119, 422.7, 422.33, 422.35,  
30 422.60, and 533.329, and repealing sections 15.391, 15.392,  
31 15.393, 422.11T, 422.11U, 432.12J, and 432.12K do not apply to  
32 contracts or agreements entered into on or before the effective  
33 date of this division of this Act.

34 Sec. 33. RETROACTIVE APPLICABILITY. The sections of this  
35 division of this Act amending sections 2.48, 15.119, 422.7,

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1 422.33, 422.35, 422.60, and 533.329, and repealing sections  
2 15.391, 15.392, 15.393, 422.11T, 422.11U, 432.12J, and 432.12K  
3 apply retroactively to January 1, 2012, for tax years beginning  
4 on or after that date.

5 Sec. 34. EFFECTIVE UPON ENACTMENT. The section of this  
6 division of this Act providing for emergency rulemaking, being  
7 deemed of immediate importance, takes effect upon enactment.

8 EXPLANATION

9 This bill relates to appropriations and transfers from the  
10 general fund of the state and other funds to the department  
11 of cultural affairs, the economic development authority, the  
12 university of Iowa, the university of northern Iowa, Iowa  
13 state university, the department of workforce development, the  
14 Iowa finance authority, and the public employment relations  
15 board for the 2012-2013 fiscal year. The bill is organized by  
16 divisions.

17 FY 2012-2013 APPROPRIATIONS. The bill relates to transfers  
18 of moneys collected by the division of insurance in excess of  
19 the anticipated gross revenues to the economic development  
20 authority for purposes of insurance economic development and  
21 international insurance economic development.

22 The bill relates to moneys appropriated from the Iowa  
23 community development loan fund to the economic development  
24 authority for purposes of the community development program.

25 The bill relates to moneys appropriated from the workforce  
26 development fund account to the workforce development fund.

27 The bill provides that moneys appropriated or transferred  
28 to or receipts credited to the workforce development fund are  
29 appropriated to the department of economic development for  
30 administration of workforce development activities.

31 The bill relates to moneys appropriated from the special  
32 employment security contingency fund appropriated to the  
33 department of workforce development.

34 The bill relates to interest earned on the unemployment  
35 compensation reserve fund appropriated to the department of

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1 workforce development for the operation of field offices.

2 The bill relates to moneys appropriated to the department  
3 of workforce development for an employee misclassification  
4 program.

5 The bill repeals the economic development authority's  
6 additional FTE authorization for the purposes of administrative  
7 duties associated with the vision Iowa program.

8 FILM OFFICE. The bill transfers the film office from the  
9 economic development authority to the department of cultural  
10 affairs. The bill also eliminates the film, television,  
11 and video project promotion program including the related  
12 tax credits and income exclusions. The bill allows the  
13 department of cultural affairs to adopt emergency rules for the  
14 implementation of the film office.



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**Senate Study Bill 3175 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
JOINT APPROPRIATIONS  
SUBCOMMITTEE ON  
TRANSPORTATION,  
INFRASTRUCTURE, AND  
CAPITALS)

(SUCCESSOR TO LSB 5121JA)

**A BILL FOR**

1 An Act relating to transportation and other  
2 infrastructure-related appropriations to the department of  
3 transportation, including allocation and use of moneys from  
4 the road use tax fund and the primary road fund.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. 2011 Iowa Acts, chapter 125, section 3, is  
2 amended to read as follows:

3 SEC. 3. ROAD USE TAX FUND. There is appropriated from the  
4 road use tax fund created in section 312.1 to the department of  
5 transportation for the fiscal year beginning July 1, 2012, and  
6 ending June 30, 2013, the following amounts, or so much thereof  
7 as is necessary, to be used for the purposes designated:

8 1. For the payment of costs associated with the production  
9 of driver's licenses, as defined in section 321.1, subsection  
10 20A:

11 ..... \$ 3,876,000

12 Notwithstanding section 8.33, moneys appropriated in this  
13 subsection that remain unencumbered or unobligated at the close  
14 of the fiscal year shall not revert but shall remain available  
15 for expenditure for the purposes specified in this subsection  
16 until the close of the succeeding fiscal year.

17 2. For salaries, support, maintenance, and miscellaneous  
18 purposes:

19 a. Operations:

20 ..... \$ ~~3,285,000~~  
21 6,570,000

22 b. Planning:

23 ..... \$ ~~229,000~~  
24 458,000

25 c. Motor vehicles:

26 ..... \$ ~~16,960,500~~  
27 33,921,000

28 3. For payments to the department of administrative  
29 services for utility services:

30 ..... \$ ~~112,500~~  
31 228,000

32 4. Unemployment compensation:

33 ..... \$ ~~3,500~~  
34 7,000

35 5. For payments to the department of administrative

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1	services for paying workers' compensation claims under chapter		
2	85 on behalf of employees of the department of transportation:		
3	.....	\$	59,500
4			<u>121,000</u>
5	6. For payment to the general fund of the state for indirect		
6	cost recoveries:		
7	.....	\$	39,000
8			<u>78,000</u>
9	7. For reimbursement to the auditor of state for audit		
10	expenses as provided in section 11.5B:		
11	.....	\$	33,660
12			<u>67,319</u>
13	8. For automation, telecommunications, and related costs		
14	associated with the county issuance of driver's licenses and		
15	vehicle registrations and titles:		
16	.....	\$	703,000
17			<u>1,406,000</u>
18	9. For transfer to the department of public safety for		
19	operating a system providing toll-free telephone road and		
20	weather conditions information:		
21	.....	\$	50,000
22			<u>100,000</u>
23	10. For costs associated with the participation in the		
24	Mississippi river parkway commission:		
25	.....	\$	20,000
26			<u>40,000</u>
27	11. For motor vehicle division field facility maintenance		
28	projects at various locations:		
29	.....	\$	200,000
30	12. For scale replacement projects at various locations:		
31	.....	\$	550,000
32	For purposes of section 8.33, unless specifically provided		
33	otherwise, moneys appropriated in subsections 11 and 12 that		
34	remain unencumbered or unobligated shall not revert but shall		
35	remain available for expenditure for the purposes designated		



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1 until the close of the fiscal year that ends three years after  
2 the end of the fiscal year for which the appropriation was  
3 made. However, if the projects for which the appropriation  
4 was made are completed in an earlier fiscal year, unencumbered  
5 or unobligated moneys shall revert at the close of that same  
6 fiscal year.

7 Sec. 2. 2011 Iowa Acts, chapter 125, section 4, is amended  
8 to read as follows:

9 SEC. 4. PRIMARY ROAD FUND. There is appropriated from the  
10 primary road fund created in section 313.3 to the department of  
11 transportation for the fiscal year beginning July 1, 2012, and  
12 ending June 30, 2013, the following amounts, or so much thereof  
13 as is necessary, to be used for the purposes designated:

14 1. For salaries, support, maintenance, miscellaneous  
15 purposes, and for not more than the following full-time  
16 equivalent positions:

17 a. Operations:

18 .....	\$	20,178,265
19 .....		<u>40,607,023</u>
20 .....	FTEs	296.00
21 .....		<u>282.00</u>

22 b. Planning:

23 .....	\$	4,348,548
24 .....		<u>8,697,095</u>
25 .....	FTEs	121.00
26 .....		<u>113.00</u>

27 c. Highways:

28 .....	\$	115,456,996
29 .....		<u>232,672,498</u>
30 .....	FTEs	2,247.00
31 .....		<u>2,065.00</u>

32 d. Motor vehicles:

33 .....	\$	706,770
34 .....		<u>1,413,540</u>
35 .....	FTEs	445.00

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1		<u>410.00</u>
2	2. For payments to the department of administrative	
3	services for utility services:	
4	.....	\$ 694,000
5		<u>1,404,000</u>
6	3. Unemployment compensation:	
7	.....	\$ 69,000
8		<u>138,000</u>
9	4. For payments to the department of administrative	
10	services for paying workers' compensation claims under	
11	chapter 85 on behalf of the employees of the department of	
12	transportation:	
13	.....	\$ <del>1,423,000</del>
14		<u>2,889,000</u>
15	5. For disposal of hazardous wastes from field locations and	
16	the central complex:	
17	.....	\$ 400,000
18		<u>800,000</u>
19	6. For payment to the general fund of the state for indirect	
20	cost recoveries:	
21	.....	\$ 286,000
22		<u>572,000</u>
23	7. For reimbursement to the auditor of state for audit	
24	expenses as provided in section 11.5B:	
25	.....	\$ 207,591
26		<u>415,181</u>
27	8. For costs associated with producing transportation maps:	
28	.....	\$ <del>121,000</del>
29		<u>242,000</u>
30	9. For inventory and equipment replacement:	
31	.....	\$ <del>2,683,000</del>
32		<u>5,366,000</u>
33	10. For utility improvements at various locations:	
34	.....	\$ 400,000
35	11. For roofing projects at various locations:	



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1 ..... \$ 200,000  
2 12. For heating, cooling, and exhaust system improvements  
3 at various locations:  
4 ..... \$ 200,000  
5 13. For deferred maintenance projects at field facilities  
6 throughout the state:  
7 ..... \$ 1,000,000  
8 14. For wastewater treatment improvements at various  
9 locations:  
10 ..... \$ 1,000,000  
11 15. For replacement of the New Hampton combined facility:  
12 ..... \$ 5,200,000  
13 For purposes of section 8.33, unless specifically provided  
14 otherwise, moneys appropriated in subsections 10 through 15  
15 that remain unencumbered or unobligated shall not revert  
16 but shall remain available for expenditure for the purposes  
17 designated until the close of the fiscal year that ends  
18 three years after the end of the fiscal year for which the  
19 appropriation was made. However, if the project or projects  
20 for which such appropriation was made are completed in an  
21 earlier fiscal year, unencumbered or unobligated moneys shall  
22 revert at the close of that same fiscal year.  
23 Sec. 3. ROAD USE TAX FUND EFFICIENCY MEASURES —  
24 QUARTERLY REPORTS. The department of transportation shall  
25 submit quarterly reports in an electronic format to the  
26 co-chairpersons of the joint appropriations subcommittee on  
27 transportation, infrastructure, and capitals, the chairpersons  
28 of the senate and house standing committees on transportation,  
29 the department of management, and the legislative services  
30 agency regarding the implementation of efficiency measures  
31 identified in the "Road Use Tax Fund Efficiency Report",  
32 January 2012. The reports shall provide details of activities  
33 undertaken in the previous quarter relating to one-time and  
34 long-term program efficiencies and partnership efficiencies.  
35 Issues to be covered in the reports shall include but are



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1 not limited to savings realized from the implementation of  
2 particular efficiency measures; updates concerning measures  
3 that have not been implemented; efforts involving cities,  
4 counties, other jurisdictions, or stakeholder interest groups;  
5 any new efficiency measures identified or undertaken; and  
6 identification of any legislative action that may be required  
7 to achieve efficiencies. The first report shall be submitted  
8 by October 1, 2012.

9 EXPLANATION

10 This bill relates to appropriations for FY 2012-2013  
11 from the road use tax fund and the primary road fund to the  
12 department of transportation.

13 The bill increases certain appropriations from the road use  
14 tax fund to the department for FY 2012-2013 which were enacted  
15 in 2011 Iowa Acts, chapter 125. The affected appropriations  
16 are for operations, planning, and motor vehicles; utility  
17 services provided by the department of administrative  
18 services; unemployment and workers' compensation; indirect cost  
19 recoveries; audits; county issuance of driver's licenses and  
20 motor vehicle registration and titling; a system providing  
21 toll-free telephone and weather reports; and participation in  
22 the Mississippi river parkway commission.

23 The bill increases certain appropriations from the primary  
24 road fund to the department for FY 2012-2013 which were enacted  
25 in 2011 Iowa Acts, chapter 125. The affected appropriations  
26 are for operations, planning, highways, and motor vehicles;  
27 utility services provided by the department of administrative  
28 services; unemployment and workers' compensation; hazardous  
29 waste disposal; indirect cost recoveries; audits; production of  
30 transportation maps; and inventory and equipment replacement.

31 In January 2012, the department of transportation issued  
32 the "Road Use Tax Fund Efficiency Report", which identified  
33 efficiency measures to be undertaken by the department alone  
34 and in partnership with local jurisdictions, organizations,  
35 and stakeholders to reduce the cost of managing Iowa's road

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1 system. Savings realized as a result of the efficiency  
2 measures are to be directed toward infrastructure investments.  
3 The bill requires the department to submit quarterly reports  
4 beginning October 1, 2012, to the co-chairpersons of the joint  
5 appropriations subcommittee on transportation, infrastructure,  
6 and capitals, the chairpersons of the senate and house standing  
7 committees on transportation, the department of management, and  
8 the legislative services agency regarding the implementation  
9 of efficiency measures identified in the "Road Use Tax Fund  
10 Efficiency Report".



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**Senate Study Bill 3176 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON DANIELSON)

**A BILL FOR**

- 1 An Act relating to government operations and efficiency
- 2 and other related matters and including effective date
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I  
2 GOVERNMENT INFORMATION TECHNOLOGY SERVICES  
3 Section 1. Section 8A.205, subsection 2, paragraph g, Code  
4 2011, is amended to read as follows:  
5 g. Encourage participating agencies to utilize duplex  
6 printing and a print on demand strategy to reduce printing  
7 costs, publication overruns, excessive inventory, and obsolete  
8 printed materials.  
9 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES —  
10 INFORMATION TECHNOLOGY COORDINATION AND MANAGEMENT.  
11 1. The department of administrative services, in accordance  
12 with the requirements of 2010 Acts, chapter 1031, and Code  
13 section 8A.202, subsection 2, paragraph "g", to coordinate and  
14 manage information technology services within the department,  
15 shall establish a schedule by which all departments subject  
16 to the requirements of that Act and chapter 8A shall comply  
17 with these requirements. The schedule shall provide for  
18 implementation of the requirements to all affected state  
19 agencies and departments by December 31, 2013. The department  
20 shall submit a copy of the schedule to the general assembly  
21 by July 31, 2012, and shall provide periodic updates to the  
22 general assembly on the progress of meeting the time deadlines  
23 contained in the schedule.  
24 2. In procuring information technology as provided in  
25 section 8A.207, the department of administrative services  
26 should explore strategies of procuring information technology  
27 through leasing.

28 DIVISION II  
29 MEDICATION THERAPY MANAGEMENT  
30 Sec. 3. NEW SECTION. 8A.441 Medication therapy management.  
31 1. As used in this section, unless the context otherwise  
32 requires:  
33 a. "Eligible employee" means an employee of the state, with  
34 the exception of an employee of the state board of regents or  
35 institutions under the state board of regents, for whom group

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1 health plans are established pursuant to chapter 509A providing  
2 for third-party payment or prepayment for health or medical  
3 expenses.

4     *b. "Medication therapy management"* means a systematic  
5 process performed by a licensed pharmacist, designed to improve  
6 quality outcomes for patients and lower health care costs,  
7 including emergency room, hospital, provider, and other costs,  
8 by optimizing appropriate medication use linked directly to  
9 achievement of the clinical goals of therapy. Medication  
10 therapy management shall include all of the following services:

11     (1) A medication therapy review and in-person consultation  
12 relating to all medications, vitamins, and herbal supplements  
13 currently being taken by an eligible individual.

14     (2) A medication action plan, subject to the limitations  
15 specified in this section, communicated to the individual and  
16 the individual's primary care physician or other appropriate  
17 prescriber to address issues including appropriateness,  
18 effectiveness, safety, drug interactions, and adherence. The  
19 medication action plan may include drug therapy recommendations  
20 to prescribers that are needed to meet clinical goals and  
21 achieve optimal patient outcomes.

22     (3) Documentation and follow-up to ensure consistent levels  
23 of pharmacy services and positive outcomes.

24     2. *a.* The department shall utilize a request for proposals  
25 process and shall enter into a contract for the provision of  
26 medication therapy management services for eligible employees  
27 who meet any of the following criteria:

28     (1) An individual who takes four or more prescription drugs  
29 to treat or prevent two or more chronic medical conditions.

30     (2) An individual with a prescription drug therapy problem  
31 who is identified by the prescribing physician or other  
32 appropriate prescriber, and referred to a pharmacist for  
33 medication therapy management services.

34     (3) An individual who meets other criteria established by  
35 the third-party payment provider contract, policy, or plan.

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1     *b.* The contract shall require the entity to provide annual  
2 reports to the general assembly detailing the costs, savings,  
3 estimated cost avoidance and return on investment, and improved  
4 patient outcomes related to the medication therapy management  
5 services provided. The entity shall guarantee demonstrated  
6 annual savings for overall health care costs, including  
7 emergency room, hospital, provider, and other costs, with  
8 savings including associated cost avoidance, at least equal  
9 to the program's costs with any shortfall amount refunded to  
10 the state. The contract shall include terms, conditions,  
11 and applicable measurement standards associated with the  
12 demonstration of savings. The department shall verify the  
13 demonstrated savings reported by the entity was achieved in  
14 accordance with the agreed upon measurement standards. The  
15 entity shall be prohibited from using the entity's employees to  
16 provide the medication therapy management services and shall  
17 instead be required to contract with licensed pharmacies,  
18 pharmacists, or physicians.

19     *c.* The department may establish an advisory committee  
20 comprised of an equal number of physicians and pharmacists  
21 to provide advice and oversight in evaluating the results of  
22 the program. The department shall appoint the members of the  
23 advisory committee based upon designees of the Iowa pharmacy  
24 association, the Iowa medical society, and the Iowa osteopathic  
25 medical association.

26     *d.* The fees for pharmacist-delivered medication therapy  
27 management services shall be separate from the reimbursement  
28 for prescription drug product or dispensing services; shall  
29 be determined by each third-party payment provider contract,  
30 policy, or plan; and must be reasonable based on the resources  
31 and time required to provide the service.

32     *e.* A fee shall be established for physician reimbursement  
33 for services delivered for medication therapy management as  
34 determined by each third-party payment provider contract,  
35 policy, or plan, and must be reasonable based on the resources

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1 and time required to provide the service.

2 f. If any part of the medication therapy management  
3 plan developed by a pharmacist incorporates services which  
4 are outside the pharmacist's independent scope of practice  
5 including the initiation of therapy, modification of dosages,  
6 therapeutic interchange, or changes in drug therapy, the  
7 express authorization of the individual's physician or other  
8 appropriate prescriber is required.

9 Sec. 4. EFFECTIVE UPON ENACTMENT. This division of this  
10 Act, being deemed of immediate importance, takes effect upon  
11 enactment.

12 DIVISION III

13 STATE PHYSICAL RESOURCES

14 Sec. 5. STATE EMPLOYEE WORK ENVIRONMENT ANALYSIS  
15 AND REPORT. By September 30, 2012, the department of  
16 administrative services shall conduct a high level needs  
17 analysis of state employee work stations and office standards,  
18 focusing on reducing square footage needs and creating  
19 healthy, productive, and efficient work environments. Overall  
20 objectives of the analysis shall include improving employee  
21 density; properly allocating space for individual and group  
22 work; improving worker health and safety; improving technology  
23 integration; and improving energy efficiency and sustainability  
24 in state offices. The department shall submit findings and  
25 recommendations to the capitol planning commission and to the  
26 legislative government oversight committees by October 30,  
27 2012.

28 DIVISION IV

29 OPERATIONAL EFFICIENCIES

30 Sec. 6. STATE DEPARTMENT AND AGENCY LIMITATIONS ON  
31 MAIL. Notwithstanding any provision of the law to the  
32 contrary, state departments and agencies shall not, unless  
33 otherwise required for purposes of pursuing legal action or  
34 by federal law, provide departmental or agency notices or  
35 information by mail. Departments shall provide information

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1 or notices through the department's internet site or through  
2 electronic mail.

3 DIVISION V

4 IOWA JOBS BOARD

5 Sec. 7. Section 12.87, subsection 12, Code Supplement 2011,  
6 is amended to read as follows:

7 12. Neither the treasurer of state, the Iowa ~~jobs board~~  
8 finance authority, nor any person acting on behalf of the  
9 treasurer of state or the Iowa ~~jobs board~~ finance authority  
10 while acting within the scope of their employment or agency, is  
11 subject to personal liability resulting from carrying out the  
12 powers and duties conferred by this section and sections 12.88  
13 through 12.90.

14 Sec. 8. Section 16.193, subsection 1, Code Supplement 2011,  
15 is amended to read as follows:

16 1. ~~The Iowa finance authority, subject to approval by the~~  
17 ~~Iowa jobs board,~~ shall adopt administrative rules pursuant to  
18 chapter 17A necessary to administer the Iowa jobs program and  
19 Iowa jobs II program. The authority shall ~~provide the board~~  
20 ~~with assistance in implementing administrative functions, be~~  
21 responsible for providing technical assistance and application  
22 assistance to applicants under the programs, negotiating  
23 contracts, and providing project follow up. ~~The authority, in~~  
24 ~~cooperation with the board, may conduct negotiations on behalf~~  
25 ~~of the board with applicants regarding terms and conditions~~  
26 ~~applicable to awards under the program.~~

27 Sec. 9. Section 16.194, subsection 2, Code 2011, is amended  
28 to read as follows:

29 2. A city or county or a public organization in this  
30 state may submit an application to the Iowa ~~jobs board~~  
31 authority for financial assistance for a local infrastructure  
32 competitive grant for an eligible project under the program,  
33 notwithstanding any limitation on the state's percentage in  
34 funding as contained in section 29C.6, subsection 17.

35 Sec. 10. Section 16.194, subsection 4, unnumbered paragraph



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1 1, Code 2011, is amended to read as follows:

2 The ~~board~~ authority shall consider the following criteria in  
3 evaluating eligible projects to receive financial assistance  
4 under the program:

5 Sec. 11. Section 16.194, subsection 7, Code 2011, is amended  
6 to read as follows:

7 7. In order for a project to be eligible to receive  
8 financial assistance from the ~~board~~ authority, the project  
9 must be a public construction project pursuant to subsection 1  
10 with a demonstrated substantial local, regional, or statewide  
11 economic impact.

12 Sec. 12. Section 16.194, subsection 8, unnumbered paragraph  
13 1, Code 2011, is amended to read as follows:

14 The ~~board~~ authority shall not approve an application for  
15 assistance for any of the following purposes:

16 Sec. 13. Section 16.194, subsection 9, paragraph b, Code  
17 2011, is amended to read as follows:

18 b. Any portion of an amount allocated for projects  
19 that remains unexpended or unencumbered one year after the  
20 allocation has been made may be reallocated to another project  
21 category, at the discretion of the ~~board~~ authority. The ~~board~~  
22 authority shall ensure that all bond proceeds be expended  
23 within three years from when the allocation was initially made.

24 Sec. 14. Section 16.194, subsection 10, Code 2011, is  
25 amended to read as follows:

26 10. The ~~board~~ authority shall ensure that funds obligated  
27 under this section are coordinated with other federal program  
28 funds received by the state, and that projects receiving funds  
29 are located in geographically diverse areas of the state.

30 Sec. 15. Section 16.194A, subsections 2, 7, 9, and 10, Code  
31 2011, are amended to read as follows:

32 2. A city or county in this state that applies the smart  
33 planning principles and guidelines pursuant to sections 18B.1  
34 and 18B.2 may submit an application to the ~~Iowa jobs board~~  
35 authority for financial assistance for a local infrastructure

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1 competitive grant for an eligible project under the program,  
2 notwithstanding any limitation on the state's percentage in  
3 funding as contained in section 29C.6, subsection 17.

4 7. In order for a project to be eligible to receive  
5 financial assistance from the ~~board~~ authority, the project  
6 must be a public construction project pursuant to subsection 1  
7 with a demonstrated substantial local, regional, or statewide  
8 economic impact.

9 9. Any portion of an amount allocated for projects  
10 that remains unexpended or unencumbered one year after the  
11 allocation has been made may be reallocated to another project  
12 category, at the discretion of the ~~board~~ authority. The ~~board~~  
13 authority shall ensure that all bond proceeds be expended  
14 within three years from when the allocation was initially made.

15 10. The ~~board~~ authority shall ensure that funds obligated  
16 under this section are coordinated with other federal program  
17 funds received by the state, and that projects receiving funds  
18 are located in geographically diverse areas of the state.

19 Sec. 16. Section 16.194A, subsection 4, unnumbered  
20 paragraph 1, Code 2011, is amended to read as follows:

21 The ~~board~~ authority shall consider the following criteria in  
22 evaluating eligible projects to receive financial assistance  
23 under the program:

24 Sec. 17. Section 16.194A, subsection 8, unnumbered  
25 paragraph 1, Code 2011, is amended to read as follows:

26 The ~~board~~ authority shall not approve an application for  
27 assistance for any of the following purposes:

28 Sec. 18. Section 16.195, Code Supplement 2011, is amended  
29 to read as follows:

30 **16.195 Iowa jobs program application review.**

31 1. Applications for assistance under the Iowa jobs program  
32 and Iowa jobs II program shall be submitted to the ~~Iowa finance~~  
33 authority for review and approval. ~~The authority shall provide~~  
34 ~~a staff review and evaluation of applications to the Iowa jobs~~  
35 ~~program review committee referred to in subsection 2 and to the~~

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1 ~~Iowa jobs board.~~

2 2. ~~A review committee composed of members of the board~~  
3 ~~as determined by the board shall review Iowa jobs program~~  
4 ~~applications submitted to the board and make recommendations~~  
5 ~~regarding the applications to the board.~~ When reviewing the  
6 applications, the ~~review committee and the~~ authority shall  
7 consider the project criteria specified in sections 16.194 and  
8 16.194A. The ~~board~~ authority shall develop the appropriate  
9 level of transparency regarding project fund allocations.

10 3. Upon approval of an application for financial assistance  
11 under the program, the ~~board~~ authority shall notify the  
12 treasurer of state regarding the amount of moneys needed to  
13 satisfy the award of financial assistance and the terms of the  
14 award. The treasurer of state shall notify the ~~Iowa finance~~  
15 authority any time moneys are disbursed to a recipient of  
16 financial assistance under the program.

17 Sec. 19. Section 16.197, Code 2011, is amended to read as  
18 follows:

19 16.197 Limitation of liability.

20 ~~A member of the Iowa jobs board, a person acting on behalf of~~  
21 ~~the board while acting within the scope of their employment or~~  
22 ~~agency, The authority~~ or the treasurer of state, shall not be  
23 subject to personal liability resulting from carrying out the  
24 powers and duties of the ~~board~~ authority or the treasurer, as  
25 applicable, in sections ~~16.192~~ 16.193 through ~~16.196~~ 16.195.

26 Sec. 20. IOWA JOBS BOARD — TRANSITION PROVISIONS —  
27 LIMITATION OF LIABILITY.

28 1. Any contract or agreement issued or entered into by the  
29 Iowa jobs board relating to the provisions of this division  
30 of this Act, in effect on the effective date of this division  
31 of this Act, shall continue in full force and effect and  
32 any responsibility of the board relative to the contracts or  
33 agreements as provided in those contracts or agreements shall  
34 be transferred to the Iowa finance authority.

35 2. A member of the Iowa jobs board or a person acting on



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1 behalf of the board while acting within the scope of that  
2 person's employment or agency shall not be subject to personal  
3 liability resulting from carrying out the powers and duties  
4 of the board prior to the effective date of this division of  
5 this Act, as applicable, in sections 12.87 through 12.90 and in  
6 sections 16.192 through 16.196, Code 2011.

7 Sec. 21. REPEAL. Sections 16.191, 16.192, and 16.196, Code  
8 and Code Supplement 2011, are repealed.

9 DIVISION VI

10 OFFICE OF DRUG CONTROL POLICY

11 Sec. 22. Section 80.8, subsection 3, paragraph a, Code 2011,  
12 is amended to read as follows:

13 a. The salaries of peace officers and employees of the  
14 department and the expenses of the department shall be provided  
15 for by a legislative appropriation, except the salary of the  
16 drug policy coordinator shall be fixed by the governor as  
17 provided in section 80E.1. The compensation of peace officers  
18 of the department shall be fixed according to grades as to rank  
19 and length of service by the commissioner with the approval of  
20 the department of administrative services, unless covered by a  
21 collective bargaining agreement that provides otherwise.

22 Sec. 23. Section 80.9, Code 2011, is amended by adding the  
23 following new subsection:

24 NEW SUBSECTION. 10. The department shall receive and review  
25 the budget submitted by the drug policy coordinator and assist  
26 the drug policy coordinator in directing the office of drug  
27 control's policy pursuant to section 80E.1.

28 Sec. 24. Section 80.17, subsection 1, Code 2011, is amended  
29 by adding the following new paragraph:

30 NEW PARAGRAPH. g. Office of drug control policy.

31 Sec. 25. Section 80E.1, subsection 1, Code 2011, is amended  
32 to read as follows:

33 1. The office of drug control policy is established in the  
34 department of public safety. A drug policy coordinator shall  
35 be appointed by the governor, subject to confirmation by the

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1 senate, and shall serve at the pleasure of the governor. The  
2 governor shall fill a vacancy in the office in the same manner  
3 as the original appointment was made. The coordinator shall be  
4 selected primarily for administrative ability. The coordinator  
5 shall not be selected on the basis of political affiliation  
6 and shall not engage in political activity while holding the  
7 office. The salary of the coordinator shall be fixed by the  
8 governor.

9 Sec. 26. Section 80E.1, subsection 2, paragraph a, Code  
10 2011, is amended to read as follows:

11 a. Direct the ~~governor's~~ office of drug control policy,  
12 and coordinate and monitor all statewide narcotics enforcement  
13 efforts, coordinate and monitor all state and federal substance  
14 abuse treatment grants and programs, coordinate and monitor all  
15 statewide substance abuse prevention and education programs  
16 in communities and schools, and engage in such other related  
17 activities as required by law. The coordinator shall work in  
18 coordinating the efforts of the department of corrections, the  
19 department of education, the Iowa department of public health,  
20 ~~the department of public safety,~~ and the department of human  
21 services. The coordinator shall assist in the development  
22 and implementation of local and community strategies to fight  
23 substance abuse, including local law enforcement, education,  
24 and treatment activities.

25 Sec. 27. Section 124.101, subsection 21, Code 2011, is  
26 amended to read as follows:

27 21. "Office" means the ~~governor's~~ office of drug control  
28 policy, as referred to in section 80E.1.

29 Sec. 28. Section 135.130, subsection 2, Code 2011, is  
30 amended to read as follows:

31 2. A substance abuse treatment facility advisory council  
32 is established within the department to advise and make  
33 recommendations to the director regarding the establishment  
34 and operation of a facility for persons with a substance  
35 abuse problem who are on probation and to assist with the

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1 implementation of treatment programs that are proven to  
2 be effective for offenders. The substance abuse treatment  
3 facility advisory council shall consist of the directors of the  
4 eight judicial district departments of correctional services  
5 and one representative each from the judicial branch, the Iowa  
6 department of public health, the department of corrections, and  
7 the ~~governor's~~ office of drug control policy.

8 Sec. 29. Section 216A.132, subsection 1, paragraph b, Code  
9 2011, is amended to read as follows:

10 b. The departments of human services, corrections, and  
11 public safety, the office on the status of African Americans,  
12 the department of public health, the chairperson of the board  
13 of parole, the attorney general, the state public defender,  
14 and the ~~governor's~~ office of drug control policy shall each  
15 designate a person to serve on the council.

16 Sec. 30. Section 216A.140, subsection 5, paragraph h, Code  
17 2011, is amended to read as follows:

18 h. ~~Governor's office~~ Office of drug control policy.

19 Sec. 31. Section 602.8108, subsection 4, Code Supplement  
20 2011, is amended to read as follows:

21 4. The clerk of the district court shall remit all moneys  
22 collected from the drug abuse resistance education surcharge  
23 provided in section 911.2 to the state court administrator  
24 for deposit in the general fund of the state and the amount  
25 deposited is appropriated to the ~~governor's~~ office of drug  
26 control policy for use by the drug abuse resistance education  
27 program and other programs directed for a similar purpose.

28 DIVISION VII

29 BOARDS AND COMMISSIONS

30 Sec. 32. Section 190A.3, subsection 4, Code 2011, is amended  
31 to read as follows:

32 4. The ~~farm-to-school council~~ department of agriculture and  
33 land stewardship and the department of education shall actively  
34 seek financial or in-kind contributions from organizations or  
35 persons to support the program.

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1     Sec. 33. Section 256.9, subsection 55, paragraph j, Code  
2 Supplement 2011, is amended by striking the paragraph.

3     Sec. 34. REPEAL. Section 190A.2, Code 2011, is repealed.

4                                 DIVISION VIII

5                                 OBSOLETE PROVISIONS

6     Sec. 35. REPEAL. Section 15.112, Code Supplement 2011, is  
7 repealed.

8     Sec. 36. REPEAL. Chapters 15C and 15D, Code 2011, are  
9 repealed.

10                                EXPLANATION

11     This bill relates to government efficiency, including other  
12 matters related to the operation of state and local government.

13     DIVISION I — GOVERNMENT INFORMATION TECHNOLOGY SERVICES.

14 This division amends Code section 8A.205, concerning digital  
15 government, to encourage state agencies to utilize duplex  
16 printing. This division of the bill also directs the  
17 department of administrative services (DAS) to establish a  
18 schedule for departments to comply with information technology  
19 coordination and management requirements of Code chapter  
20 8A. In addition, DAS is encouraged to procure information  
21 technology for participating agencies through leasing.

22     DIVISION II — MEDICATION THERAPY MANAGEMENT. This division  
23 of the bill relates to medication therapy management. The bill  
24 codifies the pilot program for medication therapy management  
25 implemented on July 1, 2010, for eligible state employees,  
26 making the program an ongoing program and directing DAS to  
27 utilize a request for proposals process and to enter into a  
28 contract to continue the program. This division of the bill  
29 takes effect upon enactment.

30     DIVISION III — STATE PHYSICAL RESOURCES. This division  
31 of the bill requires that DAS conduct an analysis of state  
32 employee workstations and office standards by September 30,  
33 2012. The division further requires the department to submit  
34 findings and recommendations to the capitol planning commission  
35 and the legislative government oversight committees by October

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1 30, 2012.

2 DIVISION IV — OPERATIONAL EFFICIENCIES. This division  
3 provides that each state department and agency shall not use  
4 mail to provide departmental notices and information unless  
5 otherwise required by federal law or for the purposes of legal  
6 action. The bill provides that departments utilize their  
7 internet sites or electronic mail for this purpose.

8 DIVISION V — IOWA JOBS BOARD. This division of this bill  
9 eliminates the Iowa jobs board and provides that any duties  
10 or responsibilities of the Iowa jobs board shall become the  
11 responsibility of the Iowa finance authority. The division of  
12 the bill also repeals Code section 16.196, concerning the Iowa  
13 jobs restricted capitals fund and associated appropriations.  
14 The division also provides transition provisions relative to  
15 any contracts or agreements entered into by the Iowa jobs board  
16 and provides for a limitation of personal liability for actions  
17 by a member or agent of the board taken prior to the effective  
18 date of this division of the bill relative to the duties of the  
19 board.

20 DIVISION VI — OFFICE OF DRUG CONTROL POLICY. This division  
21 transfers the administration of the governor's office of  
22 drug control policy from the office of the governor to the  
23 department of public safety. The division changes the name  
24 of governor's office of drug control policy to office of drug  
25 control policy.

26 The division requires the department of public safety to  
27 review the budget submitted by the drug policy coordinator and  
28 assist the drug policy coordinator in directing the governor's  
29 office of drug control policy pursuant to Code section 80E.1.

30 The division does not modify the appointment of the drug  
31 policy coordinator. Currently, the governor appoints the drug  
32 policy coordinator, subject to confirmation by the senate, and  
33 the coordinator serves at the pleasure of the governor.

34 The division also does not modify the current duties of the  
35 drug policy coordinator to coordinate and monitor all statewide

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1 narcotics enforcement efforts, substance abuse treatment grants  
2 and programs, substance abuse prevention and education programs  
3 in communities and schools, and to engage in such other related  
4 activities as required by law.

5 DIVISION VII — BOARDS AND COMMISSIONS. This division of the  
6 bill repeals the farm-to-school council.

7 DIVISION VIII — OBSOLETE PROVISIONS. This division of  
8 the bill repeals Code section 15.112, relating to matching  
9 funds for a farmworks national demonstration project; Code  
10 chapter 15C, relating to a world trade center; and Code chapter  
11 15D, relating to the midwest nuclear compact, which contains  
12 provisions relating to repeal and withdrawal from the compact.



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**Senate Study Bill 3177 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON JUDICIARY BILL BY  
CHAIRPERSON FRAISE)

**A BILL FOR**

1 An Act establishing the criminal offense of sexual abuse in the  
2 fourth degree, making related changes to sexual abuse in the  
3 third degree, providing penalties, and including retroactive  
4 and other applicability provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 692A.102, subsection 1, paragraph a,  
2 Code Supplement 2011, is amended by adding the following new  
3 subparagraph:

4 NEW SUBPARAGRAPH. (05) Sexual abuse in the fourth degree  
5 in violation of section 709.4A.

6 Sec. 2. Section 692A.121, subsection 2, paragraph b,  
7 subparagraph (2), Code 2011, is amended by adding the following  
8 new subparagraph division:

9 NEW SUBPARAGRAPH DIVISION. (0b) The relevant information  
10 about a sex offender whose sole reason for being on the sex  
11 offender registry is for a conviction under section 709.4A.

12 Sec. 3. Section 709.4, subsection 2, paragraph c,  
13 subparagraph (4), Code 2011, is amended to read as follows:

14 (4) The Except as provided in section 709.4A, the person is  
15 four or more years older than the other person.

16 Sec. 4. NEW SECTION. 709.4A Sexual abuse in the fourth  
17 degree.

18 1. A person commits sexual abuse in the fourth degree when  
19 the person performs a sex act with another person and either  
20 of the following apply:

21 a. The other person is fourteen years of age and the person  
22 is four, five, or six years older than the other person.

23 b. The other person is fifteen years of age and the person  
24 is four or five years older than the other person.

25 2. Notwithstanding section 903B.2, a person convicted under  
26 this section is not subject to the special sentence.

27 3. A person who violates this section commits an aggravated  
28 misdemeanor.

29 Sec. 5. SPECIAL SENTENCE — JUDGMENT VOID.

30 1. Notwithstanding section 903B.2, a person convicted of  
31 a violation of section 709.4, subsection 2, paragraph "c",  
32 subparagraph (4), prior to, on, or after the effective date of  
33 this Act shall not be subject to the special sentence if either  
34 of the following applied when the offense was committed:

35 a. The victim was fourteen years of age and the person was

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1 four, five, or six years older than the victim.

2 b. The victim was fifteen years of age and the person was  
3 four or five years older than the victim.

4 2. The department of corrections in consultation with the  
5 department of public safety shall identify persons whose sole  
6 reason for being on probation, parole, or committed to the  
7 custody of the director of the department of corrections is for  
8 a conviction of sexual abuse in the third degree under section  
9 709.4, subsection 2, paragraph "c", subparagraph (4), that  
10 occurred prior to, on, or after the effective date of this Act,  
11 and who meet the criteria established in subsection 1.

12 3. If the department of corrections and the department of  
13 public safety identify such a person pursuant to subsection  
14 2, the department of corrections shall notify the board of  
15 parole that the portion of the judgment requiring the service  
16 of a special sentence is void and the person shall not be  
17 subject to the special sentence under section 903B.2. If the  
18 person identified pursuant to subsection 2 has begun serving  
19 the special sentence, the term of the special sentence shall  
20 terminate immediately after being notified by the department of  
21 corrections that the portion of the judgment requiring service  
22 of a special sentence is void.

23 4. The department of public safety shall also remove the  
24 relevant information of such a person identified pursuant to  
25 subsection 2 from the sex offender registry internet site if  
26 the conviction for the offense identified in subsection 1 is  
27 the sole reason for being on the registry. Upon removal of the  
28 relevant information from the sex offender registry internet  
29 site, the relevant information of the person shall no longer  
30 be displayed on the sex offender registry internet site unless  
31 the person is convicted of another offense that requires  
32 registration.

33

EXPLANATION

34 This bill establishes the criminal offense of sexual abuse  
35 in the fourth degree, makes related changes to sexual abuse in

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1 the third degree, provides penalties, and includes retroactive  
2 and other applicability provisions.

3 SEX ABUSE IN THE FOURTH DEGREE. Under the bill, a person  
4 commits sexual abuse in the fourth degree if the person commits  
5 a sex act with another person and any of the following apply:  
6 the other person is 14 years of age and the person is four,  
7 five, or six years older than the other person; or the other  
8 person is 15 years of age and the person is four or five years  
9 older than the other person.

10 The bill specifies that a person who commits sexual abuse in  
11 the fourth degree is guilty of an aggravated misdemeanor and is  
12 not subject to a special sentence under Code section 903B.2.

13 The bill also specifies that a person who commits sexual  
14 abuse in the fourth degree shall register as a tier I sex  
15 offender who is required to verify the person's relevant  
16 information to the county sheriff of residence on an annual  
17 basis for 10 years. The bill further specifies that if  
18 the sole reason the person is required to register as a sex  
19 offender is for a conviction of sexual abuse in the fourth  
20 degree, the person's name and other relevant information shall  
21 not be displayed on the sex offender registry internet site.

22 SEX ABUSE IN THE THIRD DEGREE. The bill specifies that  
23 a person convicted of sexual abuse in the third degree in  
24 violation of Code section 709.4(2)(c)(4) (statutory rape due to  
25 age differences of the offending person and the victim) prior  
26 to, on, or after the effective date of the bill shall not be  
27 subject to the special sentence under Code section 903B.2 if  
28 either of the following applied when the offense was committed:  
29 the victim was 14 years of age and the person was four, five,  
30 or six years older than the victim; or the victim was 15 years  
31 of age and the person was four or five years older than the  
32 victim.

33 For a person convicted of sexual abuse in the third degree in  
34 violation of Code section 709.4(2)(c)(4) prior to, on, or after  
35 the effective date of the bill where a judgment for a special

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1 sentence has already been entered as part of the judgment, the  
2 bill voids the portion of the judgment imposing the special  
3 sentence.

4 Under the bill, the department of corrections in  
5 consultation with the department of public safety shall  
6 identify persons whose sole reason for being on probation,  
7 parole, or committed to the custody of the director of the  
8 department of corrections is for a conviction of sexual  
9 abuse in the third degree under Code section 709.4(2)(c)(4),  
10 and who meet the age differential criteria with the victim  
11 established in the bill. If the department of corrections  
12 and the department of public safety identify such a person  
13 under the bill, the department of corrections shall notify the  
14 board of parole that the portion of the judgment requiring the  
15 service of a special sentence is void and the person shall  
16 not be subject to the special sentence under Code section  
17 903B.2. If such a person has begun serving the special  
18 sentence, the bill requires the term of the special sentence to  
19 terminate immediately after being notified by the department of  
20 corrections that the portion of the judgment requiring service  
21 of a special sentence is void.

22 The bill also requires the department of public safety  
23 to remove the relevant information of a person from the sex  
24 offender registry internet site if the person was convicted  
25 of sexual abuse in the third degree under Code section  
26 709.4(2)(c)(4), and the person meets the age differential  
27 criteria with the victim established in the bill and the  
28 conviction is the sole reason the person is on the sex offender  
29 registry. Upon removal of the relevant information from the  
30 sex offender registry internet site, the bill specifies that  
31 the relevant information of the person shall no longer be  
32 displayed on the sex offender registry internet site unless  
33 the person is convicted of another offense that requires  
34 registration.





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**Senate Study Bill 3178 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
ECONOMIC GROWTH/REBUILD  
IOWA BILL BY CHAIRPERSON  
SODDERS)

**A BILL FOR**

1 An Act relating to retailers maintaining a place of business  
2 in this state for purposes of the collection of sales and  
3 use taxes, agreements relating to the collection of sales  
4 and use taxes in the state, and sales of tangible personal  
5 property and services to the state.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 423.1, subsection 48, Code Supplement  
2 2011, is amended to read as follows:

3 48. a. "Retailer maintaining a place of business in this  
4 state" or any like term includes any retailer having or  
5 maintaining within this state, directly or by a subsidiary,  
6 an office, distribution house, sales house, warehouse, or  
7 other place of business, or any representative operating  
8 within this state under the authority of the retailer or its  
9 subsidiary, irrespective of whether that place of business or  
10 representative is located here permanently or temporarily, or  
11 whether the retailer or subsidiary is admitted to do business  
12 within this state pursuant to chapter 490.

13 b. (1) A retailer shall be presumed to be maintaining a  
14 place of business in this state, as defined in paragraph "a", if  
15 any person that has substantial nexus in this state, other than  
16 a person acting in its capacity as a common carrier, does any  
17 of the following:

18 (a) Sells a similar line of products as the retailer and  
19 does so under the same or similar business name.

20 (b) Maintains an office, distribution facility, warehouse,  
21 storage place, or similar place of business in this state to  
22 facilitate the delivery of property or services sold by the  
23 retailer to the retailer's customers.

24 (c) Uses trademarks, service marks, or trade names in this  
25 state that are the same or substantially similar to those used  
26 by the retailer.

27 (d) Delivers, installs, assembles, or performs maintenance  
28 services for the retailer's customers.

29 (e) Facilitates the retailer's delivery of property to  
30 customers in this state by allowing the retailer's customers to  
31 take delivery of property sold by the retailer at an office,  
32 distribution facility, warehouse, storage place, or similar  
33 place of business maintained by the person in this state.

34 (f) Conducts any other activities in this state that  
35 are significantly associated with the retailer's ability



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1 to establish and maintain a market in this state for the  
2 retailer's sales.

3 (2) The presumption established in this paragraph may be  
4 rebutted by a showing of proof that the person's activities in  
5 this state are not significantly associated with the retailer's  
6 ability to establish or maintain a market in this state for the  
7 retailer's sales.

8 c. (1) At any time on or after October 1, 2012, a retailer  
9 shall be presumed to be maintaining a place of business in  
10 this state, as defined in paragraph "a", if a retailer has an  
11 agreement with one or more residents of this state under which  
12 the resident, for a commission or other consideration, directly  
13 or indirectly refers potential customers, whether by a link on  
14 an internet site, telemarketing, in-person presentation, or  
15 otherwise, to the retailer, if the cumulative gross receipts  
16 from sales by the retailer attributable to those agreements is  
17 in excess of ten thousand dollars for the twelve-month period  
18 ending on the last day of the most recent calendar quarter.

19 (2) The presumption established in this paragraph may be  
20 rebutted by a showing of proof that the resident with whom  
21 the retailer has an agreement did not engage in any activity  
22 within this state that was significantly associated with the  
23 retailer's ability to establish or maintain the retailer's  
24 market in this state during the preceding twelve-month period  
25 ending on the last day of the most recent calendar quarter.  
26 Such proof may consist of sworn written statements from all  
27 the residents with whom the retailer has an agreement stating  
28 that the resident did not engage in any solicitation in this  
29 state on behalf of the retailer during the period in question,  
30 provided that such statement is provided and obtained in good  
31 faith.

32 **Sec. 2. NEW SECTION. 423.13A Administration —**  
33 **effectiveness of agreements with retailers.**

34 1. Notwithstanding any provision of this chapter to the  
35 contrary, any ruling, agreement, or contract, whether written



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1 or oral, express or implied, entered into after the effective  
2 date of this Act between a retailer and a state agency which  
3 provides that a retailer is not required to collect sales and  
4 use tax in this state despite the presence in this state of  
5 a warehouse, distribution center, or fulfillment center that  
6 is owned and operated by the retailer or an affiliate of the  
7 retailer shall be null and void unless such ruling, agreement,  
8 or contract is approved by a majority vote of both houses of  
9 the general assembly.

10 2. For purposes of this section, "state agency" means  
11 the executive branch, including any executive department,  
12 commission, board, institution, division, bureau, office,  
13 agency, or other entity of state government. "State agency"  
14 does not mean the general assembly, or the judicial branch as  
15 provided in section 602.1102.

16 Sec. 3. Section 423.36, Code 2011, is amended by adding the  
17 following new subsection:

18 NEW SUBSECTION. 1A. a. Notwithstanding subsection 1,  
19 if any person will make taxable sales of tangible personal  
20 property or furnish services to any state agency, that person  
21 and any affiliate shall, prior to the sale, apply for and  
22 receive a permit to collect sales or use tax pursuant to this  
23 section. A state agency shall not purchase tangible personal  
24 property or services from any person unless that person and any  
25 affiliate of that person has a valid, unexpired permit issued  
26 pursuant to this section and is in compliance with all other  
27 requirements in this chapter imposed upon retailers, including  
28 but not limited to the requirement to collect and remit sales  
29 and use tax and file sales tax returns.

30 b. For purposes of this subsection, "state agency" means  
31 any executive, judicial, or legislative department, commission,  
32 board, institution, division, bureau, office, agency, or other  
33 entity of state government.

34 EXPLANATION

35 This bill relates to the collection of sales and use taxes

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1 by retailers maintaining a place of business in this state,  
2 agreements relating to the collection of sales and use taxes,  
3 and sales of tangible personal property and services to state  
4 agencies.

5 A retailer located in this state, or maintaining a place of  
6 business in this state, must collect and remit sales and use  
7 taxes to the department of revenue. Currently, as defined in  
8 Code section 423.1, the term "retailer maintaining a place of  
9 business in this state" includes certain places of business,  
10 and representatives operating under the authority of the  
11 retailer.

12 The bill provides that a retailer will be presumed to be  
13 maintaining a place of business in this state if any person  
14 that has substantial nexus in this state, other than a common  
15 carrier, engages in any of six activities specified in the  
16 bill. The presumption may be rebutted by a showing of proof  
17 that the person's activities are not significantly associated  
18 with the retailer's ability to establish or maintain a market  
19 in this state for the retailer's sales.

20 The bill also provides that, on or after October 1, 2012, a  
21 retailer will be presumed to be maintaining a place of business  
22 in this state if the retailer has an agreement with one or  
23 more residents of this state whereby the residents receive  
24 consideration for referring potential customers to the retailer  
25 through the internet, telephone, or in person, and those  
26 agreements yield in excess of \$10,000 of gross receipts per  
27 year. The presumption may be rebutted by a showing of proof  
28 that the residents with whom the retailer has an agreement did  
29 not engage in any activity within this state during the year  
30 that was significantly associated with the retailer's ability  
31 to establish or maintain the retailer's market in the state,  
32 which proof may consist of sworn written statements stating  
33 that the resident did not engage in any solicitation in this  
34 state on behalf of the retailer during the year, so long as the  
35 statement is provided and obtained in good faith.



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1 The bill provides that any ruling, agreement, or contract  
2 entered into after the effective date of the bill between a  
3 retailer and a state agency which provides that a retailer is  
4 not required to collect sales and use tax in this state despite  
5 the presence in this state of a warehouse, distribution center,  
6 or fulfillment center owned and operated by the retailer or  
7 an affiliate shall be null and void unless it is specifically  
8 approved by a majority vote of both houses of the general  
9 assembly. For purposes of this provision of the bill, "state  
10 agency" does not include the general assembly or the judicial  
11 branch.

12 The bill provides that no person shall make taxable sales  
13 or furnish taxable services to a state agency unless that  
14 person and their affiliates obtain a sales tax permit. Also,  
15 the state is prohibited from purchasing taxable property  
16 or services from any person unless that person and their  
17 affiliates have a valid, unexpired sales tax permit and are  
18 in compliance with all other sales tax laws imposed upon  
19 retailers. For purposes of this provision of the bill, "state  
20 agency" includes the executive branch, the general assembly,  
21 and the judicial branch.